



CITY COUNCIL AGENDA REPORT

To: Honorable Mayor and Members of City Council
Meeting: June 20, 2016
Subject: Proposed Joinder of City of Salem with the Roanoke Valley Resource Authority (CM16-00070)

Background:

On August 25, 1989, the Roanoke Valley Resource Authority (RVRA) was created and incorporated to exist for a 50 year term expiring in 2039 for refuse disposal services. The founding members include the City of Roanoke, Roanoke County and the Town of Vinton. As a part of membership, the City of Roanoke receives an annual community host fee of \$100,000 from RVRA.

In June 2015, RVRA responded to a Request for Proposals from the City of Salem, VA for refuse disposal and management of its transfer station. RVRA was subsequently interviewed by the City of Salem for this purpose. On May 9, 2016, the City of Salem announced its intentions to join RVRA under a mutual agreement.

On May 10, 2016, the RVRA Board of Directors approved a resolution formally supporting the City of Salem to join RVRA. Each jurisdiction is required to hold a public hearing authorizing amendments to RVRA's Articles of Incorporation to allow the City of Salem to become a member. On May 16, 2016, City Council authorized a public hearing to be held on June 20, 2016, at 2:00pm, or as soon thereafter as the matter may be reached, to consider RVRA's Amended and Restated Articles of Incorporation. The City advertised notice of the public hearing at least 30 days prior to June 20, 2016.

Considerations:

The proposed Amended and Restated Roanoke Valley Resource Authority Members and Facilities Use Agreement includes the conveyance of the Salem Transfer Station and all related existing equipment to RVRA, with a current value of approximately \$3.7 million. RVRA has agreed to pay the City of Salem approximately \$1.8 million to retire the existing debt on the transfer station. The Amended and Restated Roanoke Valley Resource Authority Members and Facilities Use Agreement is attached to this Report.

Additionally, the community host fees will be increased by \$50,000 to Roanoke County, and Cities of Salem and Roanoke. The Town of Vinton will receive \$5,000 annually. Both the Cities of Salem and Roanoke will receive annually \$150,000 in community host fees.

RVRA has sufficient reserve funding and operating revenue to accommodate these terms.

The City of Salem's joinder provides financial benefits to both RVRA and the City of Roanoke by stabilizing tipping fee increases due to additional refuse tonnages. This will also enable RVRA to invest in the modernization of disposal equipment and transportation.

Finally, with only 23 years remaining of the initial 50 year term, RVRA will begin to have limited access to capital markets. In order for RVRA to maintain access to bond markets and meet operational needs, the extension of their operating life will be required. The proposed 50 year extension to January 1, 2066, will allow RVRA to issue long term revenue bonds as needed.

Pursuant to Section 15.2-5112, Code of Virginia (1950), as amended, City Council approval and adoption of a resolution are required to adopt these amendments.

Recommended Action:

Open the public hearing and receive comments from citizens and other interested parties regarding the proposed joinder of the City of Salem to the RVRA. Absent public comments needing further consideration, approve the reorganization and expansion of the RVRA by providing that the City of Salem, Virginia, join the RVRA and adopt the attached resolution.

Approve and authorize the execution of (1) an Amended and Restated Articles of Incorporation of the Roanoke Valley Resource Authority and the appointments of Michael Shockley and Robert "Bobby" Edwards as the appointees of the City of Roanoke to serve on the Roanoke Valley Resource Authority; and (2) an Amended and Restated Roanoke Valley Resource Authority Members and Facilities Use Agreement to accomplish such joinder. Authorize the appropriate public officials to take any actions and execute any documents, approved as to form by the City Attorney, necessary to accomplish such matters, all in accordance with Section 15.2-5112, Code of Virginia (1950), as amended.

Adopt the accompanying resolution providing for an extension of time for the Roanoke Valley Resource Authority to continue its existence as a corporation to January 1, 2066.



For Christopher P. Morrill
City Manager

Distribution: Council Appointed Officers
Barbara A. Dameron, Director of Finance
Sherman M. Stovall, Asst. City Manager for Operations
Michael B. Shockley, Director of General Services

**AMENDED AND RESTATED
ROANOKE VALLEY RESOURCE AUTHORITY
MEMBERS AND FACILITIES USE AGREEMENT**

THIS AMENDED AND RESTATED MEMBERS AND FACILITIES USE AGREEMENT (“Agreement”) dated as of the 1st day of July, 2016 by and between the Roanoke Valley Resource Authority, (“Authority”), a public body politic and corporate, and the County of Roanoke, a political subdivision of the Commonwealth of Virginia, (“County”), the City of Roanoke, a municipal corporation of the Commonwealth of Virginia, (“City”), the Town of Vinton, a municipal corporation of the Commonwealth of Virginia (“Town”), and the City of Salem, a municipal corporation of the Commonwealth of Virginia (“Salem”).

RECITALS

WHEREAS, the members of the Roanoke Valley Resource Authority, the Board of Supervisors of Roanoke County, the City Council of the City of Roanoke, the Town Council of the Town of Vinton, have signified their intention to amend the Articles of Incorporation of the Roanoke Valley Resource Authority to provide that the City of Salem shall become a member of the Authority pursuant to the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia (1950), as amended (“Act”). A copy of the proposed Amended and Restated Articles of Incorporation for the Authority is attached hereto and incorporated by reference herein as Exhibit “A”;

WHEREAS, the Authority, the County, the City, and the Town have previously entered into this Members Use Agreement originally dated October 23, 1991, as amended by five (5) amendments dated June 1, 1992 (First Amendment), December 2, 1996 (Second Amendment), February 1, 1999 (Third Amendment), April 1, 2005 (Fourth Amendment), and March 23, 2009 (Fifth Amendment) (collectively referred to as the “Original Agreement”), and now desire to further amend and restate the Original Agreement with this Agreement to make provisions for Salem becoming a member of the Authority and to make certain other changes as set forth herein;

WHEREAS, the parties have developed and plan to further develop, construct, modify, and/or expand through the Authority, the Landfill, Transfer Stations, and Facilities including Facilities related to the transportation and disposal of Acceptable Waste, including exercise of any and all powers granted by the Act;

WHEREAS, the parties intend through the Authority to contract for a supply of Acceptable Waste to be delivered to the Facilities;

WHEREAS, the City, County, Town, and Salem wish to contract with the Authority to obtain rights to dispose of Acceptable Waste generated within their respective jurisdictions;

WHEREAS, pursuant to this Agreement, the City, County, Town, and Salem desire to set forth the terms and conditions of the disposal of Acceptable Waste through use of the Facilities; and,

WHEREAS, the purpose for which the Authority has been formed is to exercise any and all powers granted by the Act, including, without limitation, to acquire, finance, construct, operate, manage, and maintain a garbage and refuse collection and disposal system and related facilities.

AGREEMENT

NOW, THEREFORE, the parties to this Agreement agree as follows:

INTRODUCTION

- (a) The above whereas clauses are hereby incorporated into and made a part of this Agreement.
- (b) This Agreement shall be known as The Amended and Restated Roanoke Valley Resource Authority Members and Facilities Use Agreement dated as of July 1, 2016.

ARTICLE I

DEFINITIONS

Unless otherwise defined, each capitalized term used in this Agreement shall have the meaning set forth below.

“Acceptable Waste” means non-hazardous “municipal solid waste”, “industrial waste” and “agricultural waste”, “construction waste”, “debris waste”, “demolition waste”, as defined in the Virginia Department of Waste Management Solid Waste Management Regulations, as amended, (the “DWM Regulations”), and such other wastes as Authority shall agree in writing to accept from time to time, subject to such limitations and exclusions as are imposed by Applicable Law and excluding all Unacceptable Wastes.

“Act” means the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Sections 15.2-5100, et seq., Code of Virginia of 1950, as amended.

“Annual Budget” means the annual budget of the Authority as described in Section 5.9.

“Annual Deficit” means any actual deficit at the end of a Fiscal Year consisting of an excess of Operating Costs over Operating Revenues for such Fiscal Year incurred by the Authority acting pursuant to an Annual Budget and any amendments thereto approved in advance by all Users in accordance with Section 5.9.

“Applicable Law” means any law, regulation, requirement (including but not limited to permit and governmental approval requirements) or order of any local, state or federal agency, court or other governmental body, applicable from time to time to the acquisition, design, construction, equipping, testing, start-up, financing, ownership, possession or operation (including

but not limited to closure and post-closure operations) of the Facilities or the performance of any obligations under any agreement entered into in connection therewith.

“Articles of Incorporation” means the Articles of Incorporation of the Authority as they may be amended and restated from time to time.

“Authority Default” means any of the events of default described in Section 6.2.

“Bonds” means any Revenue Bonds, or other obligation, issued by the Authority to finance the acquisition, construction, improvement, and equipping of the Facility/Facilities, including any revenue bonds issued to refund such Bonds.

“Bylaws” means the Bylaws of the Authority, as they may be amended from time to time.

“Capital Expenditure” means any single expenditure intended to benefit and be amortized over 5 or more accounting periods under Generally Accepted Accounting Principles.

“Charter Member Users” or “Charter Member User” means Roanoke County, the City of Roanoke, and the Town of Vinton, as the context may require.

“Contract Municipal Customer(s)” means any local government entity, located wholly or partially within a sixty (60) mile radius of a Facility and under contractual obligation with the Authority or permitted to bring Acceptable Waste generated within said local government entity’s jurisdiction to a Facility.

“Debt Service Payments” means the payments of principal, premium, if any, and interest required to be made by the Authority with respect to the Bonds.

“Designated Hauler” means any person (other than a User) (1) who is authorized to deliver Acceptable Waste to the Facility on behalf of a User or a Contract Municipal Customer and originating from User’s or Contract Municipal Customer’s jurisdiction, for a fee paid by the User; or, (2) who collects Acceptable Waste pursuant to contract with or franchise from the User and is designated to the Authority as such by the User in writing.

“Event of Default” means the events of default set forth in Section 6.2 and 6.3.

“Facility” and/or “Facilities” as the context may require, means the Landfill located in Roanoke County; and/or, as the context may require, Transfer Station; and/or, any other operation/structure owned and operated by, or on the behalf of, the Authority.

“Fiscal Year” means the period from July 1 of one year to June 30 of the next year.

“Hazardous Waste” means (i) “hazardous waste” as such term is defined in the DWM Regulations, (ii) “hazardous waste” as such term is defined in the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 *et seq.* as amended from time to time; and (iii) solid waste that

because of its quantity, concentration, or physical, chemical or infectious characteristics may pose or significantly contribute to a substantial present or potential hazard to human health, the Facility, or the environment when treated, stored, transported, or disposed of or otherwise managed.

“Host Community Fee” means the annual fee paid by the Authority to a Charter Member User or a User for hosting the Facilities as set forth in Section 7.1.

“Indenture” means any Indenture of Trust or other document, entered into by the Authority pursuant to which Bonds are issued.

“Landfill” means the regional landfill to be developed and operated by the Authority on one or more sites for the disposal and fill of Acceptable Waste in accordance with the special use permit provided pursuant to County item 62789-10 and Resolution 62789-12, each dated June 27, 1989.

“Leachate” means wastewater generated at and by Facilities.

“Maximum Annual Tonnage” means the maximum annual total tonnage of Acceptable Waste disposed of at the Landfill agreed by the Authority and Users to be 330,000 tons per year.

“New Member(s)” means all local government entities that are members of the Authority, other than the Charter Member Users, in accordance with Section 4.4.

“Operating Costs” means all actual costs of the Authority properly allocable to acquiring, constructing, equipping, maintaining and operating the Facility and set forth in the Annual Budget, including, but not limited to:

- (1) Salaries and fringe benefits of employees;
- (2) Utilities, fuel, equipment (including but not limited to trucks and heavy equipment) tools and supplies;
- (3) Engineering, testing, and consulting costs for design and operation, testing, monitoring, and closure;
- (4) All costs for compliance with all permit conditions and compliance with Applicable Law, including costs for treatment and disposal of leachate or materials inappropriately disposed or delivered to the Facility;
- (5) Debt Service Payments;
- (6) Legal costs incurred in connection with the zoning, permitting, financing, operating and defending of The Facility and the Authority;

(7) Insurance costs and the costs of bonds, letters of credit, escrows or other financial assurance or allowance for environmental monitoring and assurance, closure, post- closure or property value guarantees or for compliance with Applicable Law;

(8) Reasonable host community allowances as identified and set forth in the special use permit for the Landfill Roanoke County item 62789-10, and Resolution 62789- 12, each dated June 27, 1989; and as set forth in the Solid Waste Transfer Facility Design Criteria, dated March 19, 1991, and Solid Waste Transfer Facility Operating Criteria, dated May 21, 1991, as approved by the City Planning Commission on June 5, 1991 and/or as provided in this Agreement;

(9) Capital Expenditures necessary for compliance with Applicable Law, Capital Expenditures necessary for normal maintenance and reasonable periodic expansion of the Facility and Capital Expenditures incurred in connection with Uncontrollable circumstances;

(10) Purchase and maintenance costs of equipment and maintenance of the Facility;

(11) All taxes, including but not limited to those on real property, equipment or income;

(12) All accounting and bookkeeping fees and charges;

(13) All costs associated with uncollectible accounts;

(14) The Authority's costs for Transportation Services; and

(15) All amounts required to be paid by the Authority to replenish deficits in the Debt Service Reserve Fund or the Rate Stabilization Fund, or any similar funds, created pursuant to the Indenture.

“Operating Revenues” means all income and revenues derived by the Authority from the ownership or operation of the Facilities, including the receipts of Tipping Fees from the Users, Private Haulers and Designated Haulers (but excluding any payments of any User's Pro Rata Share) and income from the investment of money held by or on behalf of the Authority.

“Private Hauler” means any person (other than a User or a Designated Hauler) who disposes of Acceptable Waste originating from User’s or Contract Municipal Customer’s jurisdiction at the Facilities, including individuals delivering household waste in privately owned vehicles.

“Pro Rata Share” means that share of the Annual Deficit which is in the same proportion that the estimated population of the respective User bears to the total estimated population of all jurisdictions then members of the Authority which are then subject to payment of a Pro Rata

Share, both as most recently projected on an annual basis by the Center For Public Service at the University of Virginia.

“Transportation Services” means Authority-contracted transportation services provided by the Norfolk Southern Railway, and any other Authority-contracted service provider, for the transportation of Acceptable Waste and Leachate.

“Reciprocating Local Government Entity” means any local government entity entering into a reciprocal, contractual agreement with the Authority for purposes of managing or disposing of all or a portion of each entity’s Acceptable Waste, respectively.

“Recycled Waste” means material diverted from the waste stream for separate processing in accordance with the applicable requirements of state and federal law and implementing regulations.

“Roanoke Transfer Station” means the Transfer Station located in the City of Roanoke, sited pursuant to and subject to the terms and conditions of the Solid Waste Transfer Facility Design Criteria, dated March 19, 1991, and the Solid Waste Transfer Facility Operating Criteria, dated May 21, 1991, as approved by the City Planning Commission on June 5, 1991.

“Tipping Fee” means the per-ton fee, or otherwise proportionate rate as published in the Authority’s posted rate schedule, payable to Authority for the disposal of Acceptable Waste.

“Ton” or “ton” means a unit of weight equal to 2000 pounds.

“Transfer Station” means any facility, fully permitted by the Commonwealth of Virginia and owned and operated by, or on the behalf of, the Authority, only for the transfer of Acceptable Waste by Transportation Services to the Landfill, or other temporary, emergency designated disposal facilities as provided in Sections 4.1.(a) and 4.4.1.

“Unacceptable Waste” means waste which the Facility is precluded by Applicable Law from accepting, including, without limitation, medical wastes, hazardous wastes, waste as proscribed by applicable federal, state or local law or regulations, or waste otherwise prohibited by the Authority.

“Uncontrollable Circumstance” means any event or condition, whether affecting the Facility, any User or the Authority, that interferes with the acquisition, design, construction, equipping, start-up, operation, ownership or possession of the Facility or other performance required hereunder, if such event or condition is beyond the reasonable control, and not the result of willful action of the party relying thereon as justification for any nonperformance including but not limited to an act of God, storm, flood, landslide, earthquake, fire or other casualty, war, blockade, insurrection, riot, the order or judgment of any local, state, or federal court, administrative agency or governmental officer or body, a strike, lockout or other similar labor action .

“User” or “Users” means the Charter Member Users, and New Members constituting the Authority under the terms of this Agreement, if applicable, as the context may require.

“User Default” means any of the events of default described in Section 6.3.

ARTICLE II

TERM OF AGREEMENT

Section 2.1. Term. This Agreement shall become effective upon its execution, subject to the terms and conditions contained herein, and shall be effective and the Authority shall have existence until January 1, 2066, unless further extended pursuant to the provisions of the Act, provided that the Authority and this Agreement shall in any event continue until adequate closure and post-closure obligations and responsibilities with respect to the Facilities have been met.

Users covenant and agree to undertake in good faith and in a timely manner all actions necessary for the establishment of the Authority and the establishment and operation of the Facility as set forth herein.

Section 2.2. Applicability; Amendments. The Authority and Users covenant and agree that except as stated herein the terms, conditions and requirements contained in this Agreement shall apply equally to each User and further covenant and agree that this Agreement and the Articles of Incorporation shall not be amended or changed in any way without the consent of Authority and the consent of the governing body of each User. The parties hereto further covenant and agree that, except in case of an Uncontrollable Circumstance, the Authority shall engage in the collection and disposal of garbage and refuse at and through the Facilities, and that the Authority shall be authorized to engage in or provide for commercial and/or residential garbage and refuse collection activities or services.

Authority shall also be authorized to engage in recycling activities with regard to Acceptable Waste for which Authority has accepted title in accordance with Section 4.5 of this Agreement, provided, however, that Authority shall not require any specific recycling methodology, goals, limits or standards for a User without such User's consent and provided further that Authority shall not in any manner subsidize any User's recycling program except for incentive programs to encourage recycling that benefits all Users proportionately on the basis of population.

ARTICLE III

FACILITY CONSTRUCTION AND OPERATION

Section 3.1. Facility Construction and Operation.

(a) Subject to the provisions of this Section, Authority agrees that it will construct and equip the Facilities. Authority further agrees to use its best efforts to obtain the necessary

permits and approvals required under Applicable Law to construct and equip the Facilities as described.

(b) Authority shall construct and maintain at its expense any facilities, improvements, and buildings necessary for the operation of the Facilities and shall furnish all labor, tools, and equipment necessary to operate the Facilities, in accordance with Applicable Law.

Section 3.2. Use of Facilities. The Authority and the Users covenant and agree that, except as provided in section 4.4.1 Emergency Temporary Use of Authority's Facilities, below, the Facilities provided for herein may only be utilized by the Users, the Designated Haulers, and the Private Haulers, Contract Municipal Customers, and properly authorized persons and entities disposing of Acceptable Waste generated within their respective jurisdictions. The Authority and Users further covenant and agree that, except as provided in section 4.4.1 Emergency Temporary Use of Authority's Facilities, below, any Facility shall not be utilized by any other person or entity without the express prior consent of the Authority and the governing body of the User where the Facility is located.

Use and operation of the Landfill shall be subject to and in compliance with the terms and conditions in the special use permit provided pursuant to Roanoke County Item 62789-10, and Resolution 62789-12, each dated June 27, 1989. Use and operation of the Roanoke Transfer Station shall be subject to and in compliance with the terms and conditions in the Solid Waste Transfer Facility Design Criteria, dated March 19, 1991, and the Solid Waste Transfer Facility Operating Criteria, dated May 21, 1991, as approved by the City Planning Commission on June 5, 1991, all as amended from time to time.

ARTICLE IV

OBLIGATIONS RELATING TO DELIVERY AND ACCEPTANCE OF WASTE; OPERATING PROCEDURES

Section 4.1. Delivery and Acceptance.

(a) Throughout the term of this Agreement, Authority agrees to accept and dispose of Acceptable Waste delivered by or on behalf of the Users in accordance with the terms of this Agreement and agrees to do so at and through the Facilities unless an Uncontrollable Circumstance renders all or a portion of the Facilities inoperable. In such case the Authority may and is authorized to provide by separate agreement between the Authority and any local government owned and operated solid waste disposal or transfer facility located within sixty (60) miles of the Facilities, for the reciprocal, emergency, temporary disposal of all or part of the Authority's Acceptable Waste at said local government's solid waste disposal facility/facilities. The Authority further agrees to use its best efforts to operate the Facilities as economically as possible and to maintain a competitive Tipping Fee structure to encourage use of the Facilities by Private Haulers and Contract Municipal Customers.

(b) Each User shall have the right to deliver, or cause to be delivered, to the Facilities all Acceptable Waste generated within its political jurisdiction. Except in the case of an

Uncontrollable Circumstance, each User, that is party hereto, further agrees to deliver, or cause to be delivered, to the Facilities, all Acceptable Waste, except Recycled Waste, which is generated or collected by the User, collected by a Designated Hauler, or collected by any other waste hauler who collects Acceptable Waste on behalf of the User, and each User agrees to do so to provide a constant revenue stream to the Authority in recognition of the fact that Private Haulers have no legal obligation to use the Facilities.

Section 4.2. Operating Rules. The Authority shall promulgate specific rules and procedures for the use and operation of the Facilities, which shall be deemed a part of this Agreement following notice to the Users of such rules. The rules and procedures may be modified by Authority from time to time upon notice to the Users from Authority. A copy of such operating rules shall be available at the Facilities upon request. The parties agree to be bound to such rules and procedures in all respects. The rules may include fines for attempts to dispose of Unacceptable Waste in the Facilities and procedures for banning Designated Haulers and any other persons who violate the rules. Authority and Users agree that such rules and procedures shall not be inconsistent with this Agreement. In the event of a conflict between such rules and procedures and this Agreement or the Articles of Incorporation, this Agreement or the Articles of Incorporation shall prevail.

Section 4.3. Voting Representation. Notwithstanding any contrary provision in the Articles of Incorporation, Bylaws, or this Agreement, Authority, the Charter Member Users, and Salem covenant and agree that the initial voting representation on the Authority shall consist of 5 representatives from the County, 2 representatives from the City of Roanoke, 1 representative from the Town, and 1 representative from the City of Salem and that neither of the following actions shall be taken or permitted to occur by the Authority without the express consent of Roanoke County and the City of Roanoke, as expressed by the affirmative vote of all Roanoke County and City of Roanoke representatives on the Authority:

- (1) Any change in the terms or conditions of design or operation of the Roanoke Transfer Station located in the city as set forth in the Solid Waste Transfer Facility Design Criteria, dated March 19, 1991, and the Solid Waste Transfer Facility Operating Criteria, dated May 21, 1991, as approved by the City Planning Commission on June 5, 1991, and the Part A and Part B applications for the Roanoke Transfer Station as approved by the Commonwealth of Virginia, or any expansion or modification of the Transfer Station; or,
- (2) Any change in the terms or conditions of design or operation of the Landfill located in the County of Roanoke as set forth in the special use permit approved pursuant to Roanoke County item 62789-10, and Resolution 62789-12, each dated June 27, 1989, and the Part A and Part B applications for the Landfill as approved by the Commonwealth of Virginia, or any expansion or modification of the Landfill.

Section 4.4. New Members. Because the Landfill is a scarce and valuable resource and because all Users have a common interest in insuring that the Landfill is utilized only for the proper disposal of Acceptable Waste and because Authority and Users desire to make the best

possible and most efficient use of the Landfill, Users and Authority covenant and agree as follows:

- (1) No person or entity shall be permitted to utilize the Facilities except pursuant to the general terms and conditions of this Agreement;
- (2) Except as provided in Section 4.4.1 Emergency Temporary Use of Authority's Facilities, below, only Users, Designated Haulers, and Private Haulers, disposing of Acceptable Waste generated within the Users' jurisdictions, and Contract Municipal Customers shall be permitted to utilize the Facilities;
- (3) Additional Users may join the Authority by a simple majority vote of the Authority and compliance with Applicable Law, provided that the following conditions have been met:
 - (a) The additional volume of Acceptable Waste that would be disposed of at the Landfill as a result of such proposed new User's joining is not projected to cause the total aggregate amount from all User jurisdictions and Contract Municipal Customers to exceed the Maximum Annual Tonnage.
 - (b) The proposed new User jurisdiction shall be responsible for all the costs and expenses of such waste stream as determined to be necessary by Authority.
 - (c) Each New Member joining the Authority will be entitled to one voting representative on the Authority and Roanoke County shall be entitled to one additional voting representative for each such New Member joining the Authority, as necessary, to maintain its majority.
 - (d) The proposed new User shall execute and deliver an agreement substantially similar to this Agreement as required by the Authority.
 - (e) As applicable to the City of Salem becoming a New Member and upon issuance by the State Corporation Commission of a Certificate of Joinder and/or Restatement:
 - (i.) Subject to the items in (ii) below, the Authority will pay the City of Salem the total sum of One Million, Seven Hundred and Eighty-One Thousand, Four Hundred and Seventy-Three and 22/100 Dollars (\$1,781,473.22), which is the amount Salem has identified as necessary to retire any and all outstanding debt owed on the City of Salem's existing transfer station;
 - (ii.) The City of Salem will convey good and marketable title of the City of Salem's existing transfer station and all related existing equipment, real property, and existing site work as is, as described in Exhibit "B" , such that said transfer station becomes a Facility,

and such real property is not subject to any material environmental issues as determined by the Authority.

Section 4.4.1 Reciprocal Emergency Temporary Use of Authority's Facilities. The Authority hereby allows for the reciprocal, emergency, temporary use of the Transfer Station for the disposal at the Landfill of only Acceptable Waste which originates within the Reciprocating Local Government Entity's jurisdiction, subject to and upon the following terms and conditions:

(1) Authority and the Reciprocating Local Government Entity shall enter into an appropriate reciprocal agreement in form approved by the Authority for the temporary emergency use of each other's waste disposal facilities. Prior to any delivery of waste by the Reciprocating Local Government Entity at the Transfer Station, the Reciprocating Local Government Entity shall provide advance written notice to the Authority's Chief Executive Officer of (i) the nature of the emergency; (ii) the estimated duration of the emergency use; and, (iii) the estimated daily amount of municipal solid waste requested to be delivered for disposal.

(2) Such use shall be subject to prior written approval of the Authority's Chief Executive Officer and the Reciprocating Local Government Entity's compliance with all Applicable Laws, rules, regulations, and procedures, including, without limitation, the Authority's Operating Rules, regulations and procedures.

(3) The fees and charges applicable to such use shall be as established by the Authority from time to time.

(4) Under no circumstances shall the Authority accept or be deemed to have accepted for disposal or title to any Hazardous Waste or Unacceptable Waste.

(5) The Reciprocating Local Government Entity shall be responsible for and shall pay any and all claims, suits, damages, fines, penalties, loss, or liability, including any required cleanup or remediation, for damage to property, death or personal injury of any kind resulting from or arising out of: (i) the operation or presence on Authority premises by the Reciprocating Local Government Entity, its employees, agents, and contractors; (ii) the delivery to the Facilities or handling of Hazardous Waste or Unacceptable Waste; or, (iii) any violation of any law, rule, regulation, or procedure.

Section 4.5. Title to Acceptable Waste. Upon Authority's acceptance of any Acceptable Waste, Authority shall receive title to such Acceptable Waste. Authority may, at its sole election, take title to Acceptable Waste at an earlier time if it notifies the affected User of the exercise of such election. Authority shall never be deemed to have title to Unacceptable Waste unless it specifically represents that it is aware the waste is Unacceptable Waste and it is specifically taking title to the same. Inoperability of Authority's scales shall not affect the transfer of title. In the event of any dispute regarding transfer of title, the affected User shall join with Authority in defense of such title.

Section 4.6. Disposal of Unacceptable Waste. Authority shall notify any person delivering waste found before discharge into any Facility to contain Unacceptable Waste that the

waste cannot be disposed at the Facility. If Unacceptable Waste is disposed of by or on behalf of any User, and time and operations permit, Authority shall notify such User and such User shall promptly cause the Unacceptable Waste to be removed from the Facility and disposed of in accordance with Applicable Laws. In the event time and operations do not permit such notice or such User does not promptly remove the Unacceptable Waste, Authority may, at its option, cause the same to be removed, and disposed of in accordance with Applicable Law and such User shall be liable for the costs thereof. The affected User shall reimburse Authority for the actual costs, expenses, fines, penalties and liability resulting from the deposit of such Unacceptable Waste identified to have been disposed of by such User in the Facility, and, upon submission of satisfactory evidence of such costs, shall pay all such costs within 45 days of an invoice therefor; provided that the Authority shall not pay or agree to pay any fine or penalty, or acknowledge any liability unless the affected User is given an opportunity to participate and defend any such action seeking to impose a fine, penalty, or liability.

Section 4.7. Household Hazardous Waste Collection Facility. Notwithstanding any other provision of this Agreement, the Authority shall be authorized to operate a household hazardous waste collection facility and operation at Transfer Station site(s) for the on-going collection, storage, and off-site disposal of household hazardous waste originating from the residential households located within the Users' jurisdictions, or Contract Municipal Customer's jurisdiction if Authorized by the Authority. Such household hazardous waste facility and all related activities, including, without limitation, the collection, storage, and transportation and off-site disposal of household hazardous waste, shall be in compliance with all applicable local, state and federal rules, laws, and regulations.

ARTICLE V

TIPPING FEES; OTHER CHARGES

Section 5.1. Tipping Fees. Authority shall charge Tipping Fees for Acceptable Waste delivered to the Facilities and accepted by Authority for disposal. The Tipping Fees shall be established and adjusted from time to time in accordance with the requirements of the Act and any Indenture. Subject to the terms and conditions of this Agreement, Authority and Users recognize and agree that there may be numerous separate classes of users of the Facilities including (1)Users, (2)Contract Municipal Customers, (3) Designated Haulers, and (4) various categories of Private Haulers with different Tipping Fees for each class. Because the Landfill is a scarce and valuable resource, and Users and Authority intend to preserve its use to the maximum degree possible, Authority may establish different Tipping Fees for entities other than the Users who use the Facilities. Users shall be liable for any Tipping Fees payable by their respective Designated Haulers.

Section 5.2. Payments; Liability of Users.

(a) All amounts payable hereunder shall be invoiced on a monthly basis unless otherwise indicated. Amounts invoiced shall be due 20 days after the date of receipt of the invoice. Each invoice shall list all deliveries made during the applicable period and all information on the related weight records.

(b) Authority may maintain separate records for the amounts payable by each person and entity under this Agreement.

Section 5.3. Payment for Out-of-Hours Deliveries. Authority may charge such amounts as it deems appropriate for deliveries at times other than the Facility's normal hours of operation.

Section 5.4. Late Payment. Any amount payable under this Agreement by Users, Designated Haulers, Private Haulers, or Commercial Contract Customers that is not paid when due in accordance with this Agreement shall bear interest compounded monthly at the lesser of - (i) 21% or (ii) the highest rate allowed by law.

Section 5.5. Tipping Fee Adjustment. Until the resolution of any disagreement about any Tipping Fee adjustment, Users shall pay the Authority's proposed adjustment. Authority shall, immediately after the resolution, reimburse User and Designated Haulers for the aggregate amount of any overpayment, if any, occurring as a result of the subject matter of the disagreement.

Section 5.6. Relative Charges. The Authority and Users covenant and agree that Users shall be charged the same Tipping Fees for use of the Facilities. Subject to the foregoing, Users shall pay to Authority the Tipping Fees set forth in the fee schedule adopted by Authority in accordance with the Act and this Agreement. The Authority may establish fees for special wastes as defined by the rules and procedures promulgated by the Authority pursuant to section 4.2, tires for Private Haulers, and for individuals delivering household waste in privately owned automobiles and pick-up trucks as it deems appropriate.

Section 5.7. Obligation to Pay Pro Rata Share.

(a) Subject to the terms and conditions of this Agreement, each User shall pay to the Authority or such other person as the Authority may designate its Pro Rata Share of any Annual Deficit not less than thirty (30) days after receipt of written request therefor from the Authority. The Authority shall compute each year's Pro Rata Share in accordance with this Section and send notice to each User of its Pro Rata Share within thirty days after the close of each Fiscal Year. Each Pro Rata Share shall be the proportionate obligation of each User to pay the Annual Deficit computed on a pro rata basis based on the percentage the User's population', as of the close of the preceding Fiscal Year as projected by the Center for Public Service at the University of Virginia, bears to the total population of all Users which are then subject to payment of a Pro Rata Share. The initial Pro Rata Share of each User shall be based on the following percentages:

Roanoke County	41.70%
City of Roanoke	43.50%
Town of Vinton	3.59%
City of Salem	11.21%

(b) The obligation of each User to make payments of its Pro Rata Share under this Section shall be subject to and contingent upon the provisions of Section 5.9 and appropriations being made for such purpose by the governing body of the User. Nothing in this Section or this Agreement shall constitute a pledge of the full faith and credit of any User under any provisions of its charter or the Constitution of Virginia or a bond or debt of any User within the meaning of any provision of the Constitution of Virginia or such User's charter. Subject to the provisions of this Agreement, the obligations of each User to make payments under this Section and to observe and perform all other covenants and agreements under this Agreement are unconditional, irrespective of any rights of set-off, recoupment, or counterclaim that any User may have, jointly or individually, against the Authority.

(c) At the option of any User, such User may terminate its obligation to make payments of its Pro Rata Share, but only if the annual reports required by Section 5.8 shall show that:

- (i) no Annual Deficit has occurred for the five preceding Fiscal Years; and
- (ii) Operating Revenues have been equal to at least 110% of Operating Costs for the two preceding Fiscal Years.

Section 5.8. Books and Records. The Authority shall maintain all books, records and accounts necessary to record all matters affecting the Tipping Fees or other amounts payable by or to Users and the Authority under this Agreement. All such books, records and accounts shall be maintained in accordance with generally accepted accounting principles, shall accurately, fairly and in reasonable detail reflect all Authority's dealings and transactions under this Agreement and shall be sufficient to enable those dealings and transactions to be audited in accordance with generally accepted accounting principles. Within one hundred twenty (120) days after the close of each Fiscal Year, the Authority shall deliver to each User an annual report accompanied by a certificate of an independent certified public accountant, including, among other things, a statement of the financial position of the Authority at the end of such Fiscal Year, a statement of Operating Revenues and Operating Costs under this Agreement, and the amount, if any, of the Annual Deficit. All such books, records and accounts shall be available for inspection and photocopying by any User on reasonable notice so that it can verify Tipping Fees or other amounts payable under this Agreement. All such books, records and accounts shall be kept by the Authority for at least six years (or any longer period required by Applicable Law).

Section 5.9. Annual Budget. The Authority shall provide to the Users for approval, on or before each April 1, its Annual Budget for the upcoming year. The Authority shall also provide to the Users for approval in advance any amendment of any kind to the Annual Budget. The Annual Budget shall set forth (i) the budgeted Operating Costs for such Fiscal Year, itemizing each category of expenditure, including the amount of Debt Service Payments coming due in the next Fiscal Year, if applicable; and, (ii) the budgeted Operating Revenues for such Fiscal Year; and (iii) the budgeted Tipping Fees necessary to balance the Annual Budget. The Authority shall also provide Operating Costs and Operating Revenues for the then current

Fiscal Year. The Annual Budget for an upcoming Fiscal Year and any amendments thereto shall not be effective and no expenditures shall be made by Authority under the proposed Annual Budget unless and until such Annual Budget and any amendments have been approved by the governing bodies of Users, such approval not to be unreasonably withheld. The Authority shall continue operating within the expenditure levels approved under the Annual Budget for the immediately preceding Fiscal Year, excluding any Capital Expenditures, until such time as a new Annual Budget is approved.

ARTICLE VI

DEFAULT AND TERMINATION

Section 6.1. Remedies for Default.

(a) In the event of the breach by any party of an obligation under this Agreement, the right to recover damages or to be reimbursed will ordinarily constitute an adequate remedy. The parties hereto agree that as long as any Bonds remain unpaid or their payment has not been provided for in accordance with the Indenture, no party may terminate its obligations under this Agreement.

(b) The Authority may refuse to accept any Acceptable Waste that is collected by a User if such User fails to pay any amount due hereunder until the amount and any late payment interest on it have been paid if the Authority has mailed a written notice of the failure to pay the amount due under this Agreement to such User at the address to which invoices are sent by certified mail accompanied by a copy of the invoice for the unpaid amount.

(c) The parties hereto acknowledge that, in the event of any Event of Default the non-defaulting party shall be entitled to recover, to the extent proven, all of their respective damages, including incidental and consequential damages, caused by such Event of Default. The parties hereto agree that damages for any such Event of Default may include, without limitation: (i) amounts payable under this Agreement (including, without limitation, Tipping Fees); (ii) lost revenues and damages under any contract unable to be performed or realized, in whole or in part, by reason of such Event of Default; (iii) accelerated amounts if required under any contract or agreement as a result of an Event of Default specified in Section 6.3(a); (iv) interest from the date of payment on any amounts borrowed or required to be advanced in connection with such Event of Default, including interest on amounts paid to mitigate damages or prevent a default from arising under any agreement relating to the Facilities or its operations; (v) increased Operating Costs, and (vi) reimbursement for all reasonable expenses and costs, including the fees and expenses of its counsel, incurred in connection with any proceeding brought to recover such damages or to enforce the provisions of this Agreement. To the extent permitted by Applicable Law, the parties hereto hereby waive the right to trial by jury in any action or proceeding brought to enforce, construe or recover damages for any breach of this Agreement.

Section 6.2. Events of Default by Authority. The following shall constitute an Event of Default by the Authority (“Authority Default”):

The Authority's persistent or repeated failure or refusal substantially to fulfill any of its material obligations to any User in accordance with this Agreement unless such failure or refusal shall be excused or justified by an Uncontrollable Circumstance or a default by a User hereunder; provided, however, that no such failure or refusal shall constitute an Authority Default unless and until:

(i) Such User has given written notice to Authority stating that in its opinion a particular default or defaults (described in reasonable detail in such notice) exist that will, unless corrected, constitute a material breach of this Agreement by the Authority and that will in its opinion give User a right to reimbursement or to recover damages under this Agreement, or after all Bonds have been paid or their payment provided for, a right to terminate its obligations hereunder, unless such default is corrected within a reasonable period of time, and

(ii) Authority has neither corrected such default nor initiated reasonable steps to correct it within a reasonable period of time (which shall in any event be not less than thirty days from the date of receipt of the notice given pursuant to clause (i) of this Section); provided that if the Authority has commenced to take reasonable steps to correct such default within such reasonable period of time, it shall not constitute an Authority Event of Default for as long as the Authority is continuing to take reasonable steps to correct it; or

Section 6.3. Events of Default by Users. Each of the following shall constitute an Event of Default by a User ("User Default"):

(a) The failure by a User to pay any amount under this Agreement within 60 days after receipt of written invoice therefor; or,

(b) The failure or refusal by a User to fulfill any of its obligations to Authority in accordance with this Agreement unless such failure or refusal is excused or justified by an Uncontrollable Circumstance; provided that no such failure or refusal shall constitute an Event of Default unless and until

(i) Authority has given prior written notice to such User stating that in its opinion a particular default or defaults (described in reasonable detail in such notice) exist which will, unless corrected, constitute a material breach of this Agreement on the part of the User and which will in its opinion give Authority a right to reimbursement, recover damages or refuse service under this Agreement for cause under this Section unless such default is corrected within a reasonable period of time, and

(ii) Such User has neither corrected such default nor initiated reasonable steps to correct it within a reasonable period of time (which in any event shall not be less than five days from the date of the notice given pursuant to clause (i) of this Section); provided that if User has commenced to take reasonable steps to correct such default within such reasonable period of time, it shall not constitute an Event of Default for as

long as User is continuing to take reasonable steps to correct it, unless such default creates an emergency situation which may endanger public health or safety, threaten the environment or endanger the continued operation of any Facility, in which case an Event of Default shall be deemed to have occurred if such default is not corrected within ten days or less.

Section 6.4. Termination on Default. After all Bonds have been paid or their payment provided for and they are no longer considered outstanding under any applicable Indenture, any User, after giving written notice to all parties, may terminate this Agreement with respect to itself upon the occurrence of an Authority Default to the extent permitted by Applicable Law. The termination of this Agreement by any User shall not terminate this Agreement as to any other User. The proper exercise of the right of termination shall be in addition to and not in substitution for, such other remedies, whether damages or otherwise, of the party exercising the right of termination.

Subject to the terms and conditions of this Agreement, if any User fails to pay its Tipping Fees or its Pro Rata Share after appropriations therefore have been made, such User shall remain liable for such amounts and shall continue to be bound by this Agreement.

Section 6.5. Survival of Certain Rights and Obligations. This Agreement shall remain in full force and effect as long as any Bonds remain unpaid or their payment has not been provided for under any applicable Indenture. Thereafter, this Agreement may be terminated, but no termination of this Agreement shall limit or otherwise affect the rights and obligations of any party that have accrued before the date of such termination. Additionally, all obligations of Users with regard to any Unacceptable Wastes shall survive the termination of this Agreement.

Section 6.6. Resolution of Disputes. The parties agree that should any question arise between the Authority and a User who is a signatory to this Agreement relative to either engineering or accounting, it shall be resolved as follows:

(a) If as to engineering, then by a majority of a committee of three composed of an engineer appointed by the Authority, an engineer appointed by the User affected, and an independent engineer, to be chosen by the foregoing two; provided, however, should the first two appointees not be able to select the third appointee within thirty (30) days following the date of appointment of the last of the first two appointees, then and in that event, application for appointment of the third arbitrator shall be made to the Circuit Court judges of the 23rd Judicial Circuit of the Commonwealth of Virginia which shall appoint the third arbitrator.

(b) If as to accounting, then by a majority of a committee of three composed of the Chief Financial Officer of the affected User, the Authority's chief financial officer, and an independent certified public accountant, to be chosen by the foregoing two; provided, however should the first two appointees not be able to select the third appointee within thirty (30) days following the date of appointment of the last of the first two appointees, then application for appointment of the third arbitrator shall be made to the Circuit Court judges of the 23rd Judicial Circuit of the Commonwealth of Virginia which shall appoint the third arbitrator.

(c) In either case, the charge of the independent individual shall be borne equally by the affected User and the Authority.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Host Community Fees. The Authority covenants and agrees to pay to each User hosting the Landfill, the amount of \$350,000 annually, for as long as the Landfill remains operational, and to each User hosting a Transfer Station, the amount of \$150,000 annually, for as long as such Transfer Station remains operational. Any Charter Member User not hosting a Facility shall be paid a Host Community Fee annually in the amount of \$5,000, for as long as they are a User, for their continued long-term support of the Facilities. Host Community Fees will be paid within 30 days after the close of each Fiscal Year in consideration of the location of the Facility in their respective jurisdiction or as otherwise provided herein.

Section 7.2. Extent of Agreement; Modification. This Agreement represents the entire and integrated agreement between the Users and Authority and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written agreement signed by Users, and Authority. Authority and Users expressly covenant and agree that this Agreement shall not be changed or amended in any manner and the Authority shall not be dissolved or any User permitted to withdraw, except as provided in Section 6.4, without the written consent of the governing bodies of the Users.

Section 7.3. Assignment. No assignment of this Agreement, or any right occurring under this Agreement, shall be made in whole or part by any User without Authority's express written consent. Users shall not resell to any entity the right to dispose of Acceptable Waste at the Facilities, either directly through a User or indirectly through a Designated Hauler, for an amount greater than is paid by such User to Authority for such disposal by User (whether such charge is direct or additive), without the express written consent of Authority, which consent may be withheld by Authority at its sole discretion.

Section 7.4. Partnership. Nothing herein shall be construed to constitute a joint venture between Authority and any User or the formation of a partnership.

Section 7.5. Authority as Successor to Roanoke County Resource Authority. The parties hereto agree and covenant that the Authority is the successor to the Roanoke County Resource Authority.

Section 7.6. Severability of Invalid Provisions. If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

Section 7.7. Notices. All notices, certificates, requests or other communications under this Agreement must be in writing and will be deemed given, unless otherwise required, when mailed by first-class mail, postage prepaid, to the addresses set forth below:

If to the Authority: 1020 Hollins Rd., N.E.
Roanoke, Virginia 24012
Attention: Chair, RVRA Board of Directors

If to the City of Roanoke: 215 Church Avenue, S.W., Room 364
Municipal Building
Roanoke, Virginia 24011
Attention: City Manager

If to the County of Roanoke: P.O. Box 29800
Roanoke, Virginia 24018-0798
Attention: County Administrator

If to the Town of Vinton: P.O. Box 338
Vinton, Virginia 24179
Attention: Town Manager

If to the City of Salem: 114 North Broad St.
P.O. Box 869
Salem, Virginia 24153
Attention: City Manager

The parties may by notice given under this Section, designate such other addresses as they may deem appropriate for the receipt of notices under this Agreement. If, by reason of the suspension of or irregularities in regular mail service, it is impractical to mail notice of any event when notice is required to be given, then any manner of giving notice which is satisfactory to the intended recipient will be deemed to be sufficient .

Section 7.8. Litigation. The Authority is not a party to any legal, administrative, arbitration or other proceeding or controversy pending, or, to the best of the Authority's knowledge, threatened, which would materially adversely affect the Authority's ability to perform under this Agreement. Each User represents as to itself that it is not a party to any legal, administrative, arbitration, or other proceeding or controversy pending, or, to the best of its knowledge, threatened, which would materially and adversely affect its ability to perform under this Agreement.

Section 7.9. Further Documents and Data. The parties to this Agreement will execute and deliver all documents and perform all further acts that may be reasonably necessary to perform the obligations and consummate the transactions contemplated by this Agreement.

Section 7.10. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, will be an original, and the counterparts taken together will constitute one and the same instrument.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have each caused this Agreement to be signed as of the date above written.

AUTHORITY:

ROANOKE VALLEY RESOURCE AUTHORITY

ATTEST:

By: _____

By: _____

Its: _____

Title: _____

APPROVED TO FORM:

Roanoke Valley Resource Authority Attorney

USERS:

COUNTY OF ROANOKE, VIRGINIA

By: _____

By: _____

Its: _____

Title: _____

APPROVED TO FORM:

Roanoke County Attorney

CITY OF ROANOKE, VIRGINIA

By: _____

By: _____

Its: _____

Title: _____

APPROVED TO FORM:

Roanoke City Attorney

TOWN OF VINTON, VIRGINIA

By: _____

By: _____

Its: _____

Title: _____

APPROVED TO FORM:

Vinton Town Attorney

CITY OF SALEM, VIRGINIA

By: _____

By: _____

Its: _____

Title: _____

APPROVED TO FORM:

Salem City Attorney

Exhibit “A”

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF THE
ROANOKE VALLEY RESOURCE AUTHORITY

The Board of Supervisors of Roanoke County, the Town Council of the Town of Vinton, the City Council of the City of Roanoke, and the City Council of the City of Salem have by concurrent resolution adopted the following Amended and Restated Articles of Incorporation of the Roanoke Valley Resource Authority pursuant to the Virginia Water and Waste Authorities Act, Chapter 28, Title 15.2, sections 15.2-5100, et seq. of the Code of Virginia (1950), as amended, (“Act”):

(1) The name of the Authority shall be the Roanoke Valley Resource Authority and the address of its principal office is 1020 Hollins Road, N.E., Roanoke, Virginia 24012.

(2) The names of the participating political subdivisions are the County of Roanoke, Virginia; the City of Roanoke, Virginia; the Town of Vinton, Virginia; and the City of Salem, Virginia. The County of Roanoke, the City of Roanoke, the Town of Vinton, and the City of Salem, as the incorporating political subdivisions, hereby acknowledge, covenant, and agree that these Amended and Restated Articles of Incorporation shall not be further amended or changed without the express agreement of each of the governing bodies of each of the incorporating political subdivisions.

Neither of the following actions shall be taken or permitted to occur by the Authority without the consent of the City of Roanoke and the County of Roanoke as expressed by the affirmative vote of all City and County representatives on the Authority:

(a) Any change in the terms and conditions of design or operation of the Transfer Station located in the City of Roanoke as set forth in the Solid Waste Transfer

Facility Design Criteria, dated March 19, 1991, and the Solid Waste Transfer Facility Operating Criteria, dated May 21, 1991, as approved by the Roanoke City Planning Commission on June 5, 1991, and the Part A and Part B applications for the Transfer Station as approved by the Commonwealth of Virginia, or use by any persons or entities other than City of Roanoke, County of Roanoke, Town of Vinton, the City of Salem or any other local government entity, located wholly or partially within a sixty (60) mile radius of the Authority's property and under contractual obligation with the Authority to bring acceptable waste generated within said local government entity's jurisdiction to an Authority facility;

(b) Any change in the terms and conditions of the design or operation of the Landfill located in Roanoke County as set forth in the special use permit and the Landfill Permit Conditions and Operating Policies, Action 62789-10 and Resolution 62789-12, each dated June 27, 1989, and the Part A and Part B applications for the Landfill as approved by the Commonwealth of Virginia.

(c) Since the Landfill and Transfer Station are scarce and valuable resources, and because the participating political subdivisions have a common interest in insuring that the Landfill is used in the best possible and most efficient manner, the participating political subdivisions agree that Authority membership and operation and use of the Transfer Station and Landfill shall be governed by the terms and conditions of the Amended and Restated Roanoke Valley Resource Authority Members and Facilities Use Agreement ("Use Agreement"), dated as of July 1, 2016, and as such Use Agreement may be further amended from time to time.

(3) The names, addresses, and initial terms of office of the members of the Board of the Roanoke Valley Resource Authority (“Authority”) are as follows:

<u>Name</u>	<u>Address</u>	<u>Term Expires</u>
1. Anne-Marie Green	Roanoke County 1216 Kessler Mill Road Salem, Virginia (Roanoke County)	12/31/2019
2. Rebecca Owens	Roanoke County P.O. Box 29800 Roanoke, Virginia 24018 (Roanoke County)	12/31/2018
3. Keith Garman	8538 Bradshaw Road Salem, Virginia (Roanoke County)	12/31/2017
4. Dennis Nalley	8301 Berrybrook Drive Salem, Virginia 24153 (Roanoke County)	12/31/2017
5. Thomas C. Gates	5204 Bernard Drive Roanoke, Virginia 24018 (Roanoke County)	12/31/2019
6. Michael Shockley	City of Roanoke 215 Church Avenue, SW Room 354 Roanoke, Virginia 24011 (Roanoke City)	12/31/2018
7. Robert “Bobby” Edwards	3045 Poplar Lane Roanoke, Virginia 24014 (Roanoke City)	12/31/2019
8. Joey Hiner	Town of Vinton 311 S. Pollard Street Vinton, Virginia 24179 (Town of Vinton)	12/31/2019
9. Norman Michael Tyler	114 N. Broad Street Salem, Virginia 24153 (City of Salem)	12/31/2019

The terms of office of each of the members shall become effective on the date of issuance of a certificate of joinder for the Authority by the State Corporation Commission in accordance with Section 15.2-5112 of the Act and shall expire on the date indicated above. Upon expiration of the foregoing terms, the governing body of each participating political subdivision shall appoint the number of members, who may be members of the governing body, set forth opposite its name below:

County of Roanoke –	five
City of Roanoke –	two
Town of Vinton –	one
City of Salem –	one

It being the intention of these Articles that the governing body of the County of Roanoke shall always appoint a majority of the members, whenever an additional political subdivision shall join the Authority, the governing body of the County of Roanoke shall be entitled to appoint one or more additional members in order to maintain such majority. After expiration of the terms set forth above, each member shall be appointed for a four-year term or until his successor is appointed and qualified. Any additional members appointed by the County of Roanoke to maintain its majority shall also be appointed for four-year terms. The governing body of each political subdivision shall be empowered to remove at any time, without cause, any member appointed by it and appoint a successor member to fill the unexpired portion of the removed member's term. Each member may be reimbursed by the Authority for the amount of actual expenses incurred by him or her in the performance of his or her duties.

(4) The purpose for which the Authority is to be formed is to exercise all the powers granted to the Authority to acquire, finance, construct, operate, manage, and maintain a garbage and refuse collection and disposal system and related facilities pursuant to the Act. For purposes of these Articles, and any contracts or documents entered into on behalf of the Authority,

“garbage and refuse collection and disposal system and related facilities” shall mean the collection and disposal of garbage and refuse at and through one or more transfer facilities owned and operated by the Authority and the associated landfill or disposal operations and including the authority to engage in or provide for residential and/or commercial garbage and refuse collection services. The Authority shall contract with the County of Roanoke, the City of Roanoke, the Town of Vinton, and the City of Salem to furnish garbage and refuse collection and disposal services upon identical terms and conditions including the same schedule of service rates, fees, and charges of all types which shall be uniformly applicable to all such political subdivisions. Subject to the terms of the Use Agreement, the Authority may contract with other political subdivisions to furnish garbage and trash disposal services upon such terms as the Authority shall determine. The Authority may contract to make host locality payments to Roanoke County, the City of Roanoke, the City of Salem, and the Town of Vinton to compensate such localities in consideration of location of facilities within their communities and/or for their support of the Authority. It is not practicable to set forth herein information regarding preliminary estimates of capital costs, proposals for specific projects to be undertaken, or initial rates for proposed projects.

(5) The Authority shall serve the County of Roanoke, the City of Roanoke, the Town of Vinton, the City of Salem, and to the extent permitted by the Act and by the terms of these Articles and the Use Agreement, such other public or private entities as the Authority may determine upon the terms and conditions established pursuant to such contracts.

(6) The Authority shall cause an annual audit of its books and records to be made by the State Auditor of Public Accounts or by an independent certified public accountant at the end

of each fiscal year and a certified copy thereof to be filed promptly with the governing body of each of the participating political subdivisions.

IN WITNESS WHEREOF the Board of Supervisors of Roanoke County, Virginia, the Town Council of the Town of Vinton, the City Council of the City of Roanoke, Virginia, the City Council of the City of Salem, Virginia, and the Board of Directors of the Roanoke Valley Resource Authority have caused these Amended and Restated Articles of Incorporation to be executed in their respective names, and their respective seals have been affixed hereto and attested by the respective secretaries and/or clerks of each.

ROANOKE VALLEY RESOURCE
AUTHORITY

CITY OF ROANOKE, VIRGINIA

By: _____
Name: Anne Marie Green
Chair

By: _____
Name: David A. Bowers
Mayor

Attest: _____(SEAL)
Peggy Bishop , Secretary

Attest: _____(SEAL)
Stephanie M. Moon Reynolds, City Clerk

ROANOKE COUNTY, VIRGINIA

CITY OF SALEM, VIRGINIA

By: _____
Name: P. Jason Peters
Chairman, Board of Supervisors

By: _____
Name: Byron R. Foley
Mayor

Attest: _____(SEAL)
Deborah C. Jacks, Chief Deputy Clerk

Attest: _____(SEAL)
James E. Taliferro, II Clerk of
Council

TOWN OF VINTON, VIRGINIA

By: _____
Name: Bradley E. Grose
Mayor

Attest: _____(SEAL)
Susan N. Johnson, Town Clerk

[End of Form of Articles]

Exhibit "B"

Asset #	Item	Serial #	Capitalization Date
Stationary Equipment			
2973	Compactor No. 1	153060	1/31/2007
2982	Compactor No. 2	153061	1/31/2007
2975	40' 60-Ton Flat Top Truck Scale	836040HD1	1/31/2007
2976	60' 100-ton Flat Top Truck Scale	8410060HD	1/31/2007
2974	Compuweigh Sys. Software	NA	1/31/2007
2963	Gateway E-9515R Server	36751391	7/6/2006
2915	Corrugated Cardboard Baler	SE-504842-830	3/23/2006
Subtotal			
Rolling Equipment			
08-07005	1989 John Deere 544 Wheel Loader	DW544ED525242	7/29/2008
2966	1989 John Deere 544 Wheel Loader	DW544EB517602	7/17/2006
2878	2006 Ottawa 30 Commando Switch Truck	314679	9/8/2006
2419	1999 Chev. K1500 Pickup Truck	1GCEK14V9XZ112863	12/3/1998
2140	2003 863G Bobcat Skid Steer Loader	514451115	1/1/1999
2703	1991 Mazda B26001 Pickup Truck	JM2UF4143M0115203	8/29/1994
2964	2007 Bobcat S220K Skid Steer Loader w/60" Bucket	530712472	9/11/2006
2965	2007 Bobcat S220K Skid Steer Loader w/72" Sweeper	530712488	9/11/2006
15-10001	1993 Ottawa YT30 Shuttle Truck	4484800968767	10/15/2015
Subtotal			
39-L001	Land - approx. 5 acres		6/30/1977
	Note: Salem to retain out-parcel across the street; the total acreage subject to final survey		
Buildings and Site Work			
39-B002	Windows & Doors		1/31/2007
39-B003	Fence		1/31/2007
39-B004	Parking Lots & Paving		1/31/2007
39-B005	Plumbing		1/31/2007
39-B006	Roofing		1/31/2007
39-B007	Buildings		1/31/2007
39-B008	Sprinkler System		1/31/2007
39-I001	Water System		1/31/2007
39-I002	Sanitary Sewer System		1/31/2007
39-I003	Storm Drain		1/31/2007
39-I004	Sidewalks		1/31/2007
39-I005	Retaining Wall		1/31/2007
39-I006	Landscaping		1/31/2007