

Minutes
Loudon County Solid Waste Disposal Commission
January 9, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on December 12, 2006 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Ted Sitzlar, Robert Harrison Aprell Patterson, Bill Waldrop, John Watkins and Bobby Phillips. Other attendees included Attorney Bud Gilbert, Santek representatives Paul Thomas and Cheryl Dunson, and Kim Turner with Tennessee Trash Service (TTS).

Mr. Field called the meeting to order.

Ms. Turner asked the Commission to consider giving her company a discounted tipping fee at the Matlock Bend Landfill. She said TTS is managing approximately 350 to 400 tons per month and her business is growing. Ms. Turner said TTS is currently paying Waste Connections \$31 per ton to dispose of TTS' waste at Waste Connections' transfer station, which includes transportation. Mr. Gilbert suggested the Commission defer making a decision tonight until the request could be properly evaluated and its effect on the remaining cell capacity assessed. Mr. Waldrop asked Ms. Dunson to verify the landfill cell's life estimate if the Commission approved a discounted rate for TTS' 400 tons per month.

MOTION: Mr. Phillips made a motion to approve the minutes. Mr. Harrison seconded the motion and the minutes were passed unanimously.

During Santek's Operations Report, Ms. Dunson reported the installation of the new assessment monitoring well was complete.

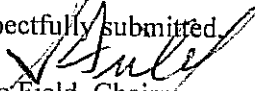
There were no issues during the Treasurer's Report. Ms. Dunson distributed copies of the November and December financial statements.

During the Attorney's Report, Mr. Gilbert said he spent approximately three hours discussing the RFP document with Dr. Bob Bachus and he was prepared to review some 20 changes to the document with the Commission. He indicated the RFP would be ready for distribution at the end of the week in accordance with the proposed time schedule. Mr. Gilbert distributed a revised draft of the RFP to the Commission and then discussed the significant revisions since his last review of the document with the Commission. There followed a discussion among the Commission and Attorney Gilbert of several of the key provisions of the RFP. **MOTION:** Mr. Waldrop then made a motion to approve the RFP package substantially in the form presented by Mr. Gilbert, subject to the revisions and changes directed by the Commission, and to authorize the Chairman and legal counsel to proceed with the completion, delivery, and implementation of the RFP process as outlined by legal counsel. Mr. Harrison seconded the motion, which was approved unanimously by the Commission.

Chairman Field reported on the upcoming 2007 Household Hazardous Waste Collection Event. He recommended that the Commission retain Jennifer Brewster to manage the event and prepare an operational manual that might be used to assist the Commission with future events. **MOTION:** Mr. Watkins made a motion to engage Jennifer Brewster for such activities and to pay her a fee of \$1,000 for performing this work. The motion was seconded by Mr. Waldrop and was approved unanimously.

MOTION: The meeting adjourned at 9:18 p.m. on a motion by Mr. Phillips, seconded by Mr. Waldrop. The Commission's next meeting is February 13, 2007 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,


Steve Field, Chairman

Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
February 13, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on February 13, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Bill Waldrop, Ted Sitzlar, John Watkins, Robert Harrison, and Bobby Phillips. Aprell Patterson was absent. Other attendees included Harry Gillam and Kim Turner with Tennessee Trash Services; Attorney Bud Gilbert; and Santek representatives Lorie Evanyk and Paul Thomas.

Chairman Field called the meeting to order. Minutes from last month's meeting were not available for approval.

Ms. Evanyk presented the Operations Report. Mr. Gilbert asked about the weight of the Kimberly Clark waste. Mr. Thomas told him it was paper sludge, but compacted well.

During the Operations Report Ms. Evanyk informed the Commission on the status of the new Purdy Springs monitoring well. She said the well was in place and needed to be tested four times within the next six months. The first test was done in January and the results were clean. After four clean testings, the Commission can petition the State to omit the Purdy Springs well from testing. Mr. Harrison asked for the well results to be available for the pre-bid meeting.

Mr. Harry Gillam and Ms. Kim Turner from Tennessee Trash Services (TTS) were present to request a volume discount at the landfill. Mr. Harrison and Mr. Waldrop both relayed their concerns about taking in additional waste at this point due to the short remaining life of the current cell. Until the Request for Proposals (RFP) process is complete and the new cell is built, they suggested TTS continue taking their waste to the transfer station.

During the Attorney's Report, Mr. Gilbert distributed copies of the RFP to the Commission. He informed them that it was not too late to make any changes via an addendum, and he gave Commissioners an overview of the RFP's timeline of events.

Mr. Gilbert also shared concerns about the transition period if the current cell fills before the new cell is complete. He said the Commission may have to develop a contingency plan with Santek.

Mr. Waldrop asked Mr. Gilbert if the Commission's presence was needed at the pre-proposal conference. Mr. Gilbert said Mr. Bachus would be there to answer technical questions. A short discussion was held on how the tour of the landfill will take place. Mr. Phillips asked who would be on the review committee. Mr. Gilbert said Leo Bradshaw and himself would be checking the bid packages for deficiencies. They will then present the packages to the Commission, which will review and evaluate each proposal.

Mr. Harrison raised concerns about attending the solid waste conference with proposers in Gatlinburg. Mr. Gilbert said they could speak to proposers, but should not discuss anything about the proposals.

Mr. Gilbert asked if the Commission wanted to inform their prospective municipalities concerning the RFP. Mr. Phillips and Mr. Harrison said they would take copies to the City of

Loudon and Lenoir City. Mr. Field asked Mr. Gilbert to send two copies to the Loudon County Mayor.

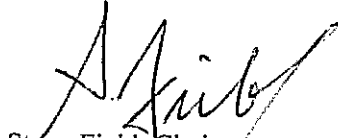
Mr. Gilbert reported that he had not sent a letter to Lenoir City on the Commission's damage claim against the city for diverted waste because he was waiting for a damage calculation from Mr. Hill.

Mr. Field said he would email members copies of the solid waste conference application. He also told members that Jennifer Brewster was working on the Household Hazardous Waste Day.

Mr. Sitzlar asked about the status of the landfill fence. Mr. Gilbert said this matter had been deferred during the preparations for the RFP process, but he would check with Leo Bradshaw about scheduling this in the near future.

The meeting adjourned at 7:30 pm. The Commission's next meeting is March 13th at the Courthouse Annex at 6:30 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Field", written over a horizontal line.

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
March 13, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on March 13, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Ted Sitzlar, Robert Harrison Aprell Patterson, Bill Waldrop, John Watkins and Bobby Phillips. Other attendees included Attorney Bud Gilbert; Santek representatives Matt Dillard, Paul Thomas and Cheryl Dunson; and Doug McGill and an associate from Waste Connections.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Waldrop made a motion to approve minutes for the January 9, 2007 meeting and the February 13, 2007 meeting. Mr. Watkins seconded the motion and it was passed unanimously.

During Santek's operations report, Ms. Dunson gave the Commission written notification that Module C would be full within 180 days due to large volumes of sludge from Kimberly Clark during the last three months. The Commission agreed to table discussion about the cell until later in the meeting.

During the Treasurer's Report, Mr. Gilbert indicated that his firm had not sent an invoice to the Commission for legal work completed during the month of February. Mr. Phillips also pointed out the Commission's total cash on deposit with the Loudon County Trustee had reached more than \$2 million.

During the Attorney's Report, Mr. Gilbert gave the Commission an update on the Request For Proposals (RFP) process. He said the pre-bid conference was held February 20, 2007 and a site visit was conducted at the Matlock Bend Landfill. Mr. Gilbert said there were five active proponents and the comment period ended March 9, 2007. He also distributed copies of a list of questions he had received from Waste Connections as well as Mr. Gilbert's proposed responses to the questions. The Commission and Mr. Gilbert went through the questions and answers.

MOTION: Mr. Waldrop made a motion to accept Mr. Gilbert's responses subject to the revisions directed by the Commission. Mr. Phillips seconded the motion and it was approved unanimously. Mr. McGill asked for an extension to the RFP's due date but no action was taken on the request.

Mr. Phillips asked Mr. Gilbert if he had received a proposed reimbursement plan to remedy the loss of commercial waste from the City of Lenoir City. Mr. Gilbert said he was waiting on information from Richard Hill who was completing the audit. Mr. Phillips stated he wanted the issue resolved before the end of the budget year and asked Mr. Field to call Mr. Hill.

A draft copy of the audit for the year ending June 30, 2006 was distributed to the Commissioners. Mr. Gilbert indicated that he had reviewed the draft audit and communicated several minor points to Mr. Hill about the audit. The final audit is expected to be released prior to next month's meeting date.

The Commission then addressed the situation with Kimberly Clark and the life of Module C. Mr. Gilbert said the Commission had several options including curtailing the amount of Kimberly Clark's sludge; increasing tipping fees; finding a mutual compromise with Kimberly Clark; asking Santek to do everything possible to extend the life of the cell by six months; and expending money for the construction of the next cell. The Commission elected to have Mr. Field meet with Kimberly Clark representatives before making a decision.

MOTION: Mr. Philips made a motion to recess the meeting until 6:30 p.m. on March 20, 2007, which will give Mr. Field an opportunity to meet with Kimberly Clark officials. Mr. Waldrop seconded the motion and the meeting was recessed at 8:50 p.m. until the stated time.

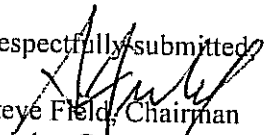
The Commission resumed its meeting of March 13, 2007 on March 20, 2007 at 6:30 p.m. at the Courthouse Annex. The Commission was represented by Mr. Field, Ms. Patterson, Mr. Waldrop and Mr. Phillips. Mr. Gilbert and Ms. Dunson were also in attendance. Mr. Field called the meeting back into order at 6:45 p.m.

Mr. Gilbert distributed a proposal to remedy the financial loss created by Lenoir City's diversion of its commercial waste from Matlock Bend. He proposed the Commission accept 50 percent of the revenue which would have been received in tipping fees if the city had continued to bring its waste to the landfill as the measure of damages for this lost waste stream until the city's current contract with Waste Connections expires. **MOTION:** After some discussion, Mr. Waldrop made a motion to approve the proposal. Mr. Phillips seconded the motion and it passed unanimously.

Mr. Field updated the Commission on his meeting with Kimberly Clark officials on March 16 2007, which included plant manager Bill Rowe and Mr. Dillard with Santek. Mr. Field said Kimberly Clark expressed an interest in the Commission's procurement process and would likely be attending the Commission's next meeting. After the meeting, Mr. Field asked Santek to come up with some figures to present to Kimberly Clark regarding a slight and temporary curtailing of sludge volumes. Ms. Dunson said conservatively the landfill could accept 3,000 tons of sludge per month, which would enable the landfill cell to last until the end of September, given the landfill accepts a total of 9,000 tons of waste per month. A worst-case scenario would be 4,000 tons per month of sludge. Mr. Field said he would craft a letter to Kimberly Clark outlining the options and thanking officials for their meeting. He said he would forward the letter to Mr. Gilbert and Ms. Dunson for their input and review.

MOTION: Mr. Waldrop made a motion to adjourn the meeting at 7:20 p.m. Mr. Phillips seconded the motion. The next meeting of the Commission will be April 10, 2007 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,


Steve Field, Chairman

Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
April 10, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on April 10, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Ted Sitzlar, Robert Harrison Aprell Patterson, Bill Waldrop, John Watkins and Bobby Phillips. Other attendees included Attorney Bud Gilbert; Santek representatives Matt Dillard, Rob Burnette, Lorie Evanyk, Paul Thomas and Cheryl Dunson; Doug McGill and an associate from Waste Connections; and several representatives from local industries.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Waldrop made a motion to approve minutes for the March 13, 2007 meeting. Mr. Watkins seconded the motion and the minutes were passed unanimously.

There were no issues during Santek's operations report.

During the Treasurer's Report, Santek presented several credit applications to the Commission and they were accepted.

Ms. Dunson gave a Powerpoint presentation summarizing Santek's response to the Commission's Request for Proposals (RFP). Afterwards, Mr. Gilbert said Santek's proposal appeared to be in order. The Commission had prescheduled to recess its meeting until April 24, 2007 to review all qualified proposals submitted in the RFP process. However, because the Commission only received one proposal, Mr. Gilbert said the Commission could reserve the right to amend its review process. It could choose to act tonight, it could recess until two weeks as scheduled, or it could wait until its May meeting and award and approve a contract then. He said there was wisdom in hearing from Dr. Bachus, but the core options ultimately were either to accept or reject the Santek proposal. Mr. Waldrop said he wanted to spend time reading and reviewing the proposal.

Mr. Waldrop asked if the Commission had heard from any other companies about the procurement process. Mr. Gilbert indicated Waste Connections expressed concern about not being reimbursed for its capital costs associated with the construction of the transfer station in the event the contract was terminated early.

During Items of Public Concern, Mr. McGill claimed that the RFP was written for a single source bid and the Commission had the right to terminate the proposed contract for any reason, which is why his company did not submit a bid. Mr. Gilbert refuted Mr. McGill's claims and said every company had an opportunity to comment on the RFP document and to suggest changes before the close of the comment period to make the process more competitive and he received no comments from any interested parties making these claims.

Bill Rowe, plant manager for Kimberly Clark (KC), asked the Commission to keep the landfill open, which is an integral factor in KC controlling its costs. Greg Swede, general manager for Monterey Mushroom also indicated he was very interested in seeing the landfill remain open.

During the Attorney's Report, Mr. Gilbert said the Commission's letter to Lenoir City proposing a solution to the lost commercial waste revenue was under review by city officials. He also stated the audit from Richard Hill had been submitted to the state comptroller's office.

Mr. Field said more than 500 families participated in the county's recent household hazardous waste collection event.

When asked, Mr. Gilbert cautioned Commissioners against discussing the Santek proposal amongst themselves prior to the recessed April 24th meeting. **MOTION:** Mr. Phillips made a motion to recess the meeting until April 24th at 6:30 p.m. Mr. Waldrop seconded the motion and the meeting was recessed at 8:05 p.m. until the stated time.

The Commission reconvened its recessed meeting of April 10th on April 24th at 6:30 p.m. in the upstairs conference room of the Courthouse Annex. The Commission was represented by Mr. Field, Mr. Phillips, Mr. Watkins, Ms. Patterson, Mr. Sitzler, Mr. Waldrop and Mr. Harrison. Mr. Gilbert was also in attendance. Santek was represented by Mr. Thomas and Ms. Dunson. A representative from Viskase Corporation was also in attendance.

Mr. Field called the meeting back to order. Mr. Gilbert said he received a voice mail from Dr. Bachus indicating he had not completed his report of the Santek proposal due to illness. Mr. Gilbert said the Commission could revert back to its original schedule of making a decision on the proposal that evening and presenting a contract to the Commission at its May meeting for approval.

Mr. Field asked Mr. Phillips to share his financial analysis of the host and security fees during the term of the proposed agreement. Based on information provided to Mr. Phillips by Santek, Mr. Phillips said the Commission could conservatively estimate it would have \$25 million in revenue by the end of the agreement's term. **MOTION:** After some discussion regarding a number of issues including hearing a report from Dr. Bachus before making a decision on the proposal, Mr. Harrison made a motion to proceed with Alternative I at Matlock Bend Landfill, which entailed the continued operation of the landfill by an operator. Mr. Waldrop seconded the motion and it passed unanimously.

MOTION: Following another discussion about the Lenoir City commercial waste issue and policing powers of the Commission, Mr. Harrison made a motion to accept Santek's proposal subject to final legal review and presentation of an acceptable contract for approval by the Commission and the required contract performance security at its next meeting. Mr. Phillips seconded the motion and it passed unanimously.

Mr. Phillips announced his resignation from the Commission, effective at the end of May.

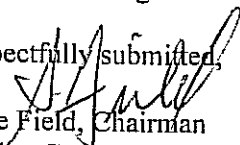
Mr. Field asked Ms. Dunson if Santek would be willing to complete the update to the solid waste report since the Commission had not met its deadline with the state. She said Santek would agree to help oversee the project.

Mr. Harrison suggested the Commission hold a strategic planning session to discuss the future needs of the Commission and its constituents. Mr. Gilbert said he thought it would be a good idea as the Commission's focus and energies will be evolving with the restructuring of the Santek partnership.

MOTION: Mr. Phillips made a motion to adjourn the meeting at 7:40 p.m. Mr. Waldrop seconded the motion at the meeting was adjourned.

The next meeting of the Commission will be May 8, 2007 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,


Steve Field, Chairman

Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
May 8, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on May 8, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Ted Sitzlar, Robert Harrison Aprell Patterson, Bill Waldrop and John Watkins. Other attendees included Attorney Bud Gilbert; and Santek representatives Paul Thomas and Cheryl Dunson.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Waldrop made a motion to approve minutes for the April 10, 2007 meeting. Mr. Watkins seconded the motion and the minutes were passed unanimously.

During Santek's operations report, Mr. Field asked Ms. Dunson if Santek could determine a date which can be used in the new contract as the Commencement Date to transition from the existing cell to the new cell. Ms. Dunson said she would talk with Santek Engineering personnel to determine the date.

After some discussion regarding the recent Household Hazardous Waste Collection Event, Mr. Field asked Ms. Dunson to call representatives at Loudon High School to see if they would be receptive to hosting the event there next year.

During the Treasurer's Report, Ms. Dunson informed the Commission about the delinquent payments from the Tennessee Department of Transportation. Since Mr. Gilbert has a relationship with the state's Commissioner of Finance, Mr. Field asked Mr. Gilbert to call him to expedite the payment.

During the Attorney's Report, Mr. Gilbert said that he has received Santek's suggested operations contract but there had not been sufficient time to review and reconcile it due to the differences between the RFP's two-page form of agreement and Santek's proposed replacement agreement. He said he thought it warranted another month to compare documents, meet with Santek and determine if the Santek form of agreement can be reconciled to the RFP contract requirements without jeopardizing the RFP process. Ms. Dunson confirmed Santek is continuing with the construction of the new cell. Gilbert also reported he received a favorable analysis about the Santek proposal from Dr. Bachus, who concluded that the Commission did well with its proposal process, and was in a favorable and comfortable position going forward. Mr. Gilbert distributed several graphs from Dr. Bachus comparing the Commission's financial condition under the existing Santek agreement and the company's new proposal.

Mr. Field mentioned to the Commission a recent conversation he had with Loudon County Mayor Doyle Arp. The mayor said he was pleased that the Commission chose to remain in the landfill business. Also, Mr. Field will make a presentation to the Loudon County

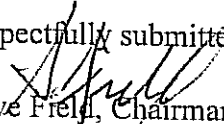
Commission in June or July to give commissioners an update on the solid waste Commission's progress and outcome with its procurement process.

Mr. Field also mentioned Ms. Patterson has volunteered her efforts in the local school systems to provide solid waste education.

MOTION: Mr. Waldrop made a motion to adjourn the meeting at 7:55 p.m. Mr. Watkins seconded the motion and it was approved.

The next meeting of the Commission will be June 12, 2007 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,


Steve Field, Chairman

Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
June 12, 2007

The Loudon County Solid Waste Disposal Commission (the "Commission") met on June 12, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Ted Sitzlar, Robert Harrison, Aprell Patterson, Bill Waldrop, John Watkins, and Bobby Phillips. Other attendees included Attorney Bud Gilbert; Santek representatives Paul Thomas, Cheryl Dunson, Lorie Evanyk, and Greg Hamilton; and Santek Attorney Scott Thomas.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Waldrop made a motion to approve minutes for the May 8, 2007 meeting. Mr. Sitzlar seconded the motion and the motion was passed unanimously.

During Santek's operations report, Ms. Evanyk informed the Commission of a new proposal from Mac Tire Recyclers (MTR). MTR will haul Loudon County tires to its new Knoxville facility. The haul charge will go from around \$50.00 per ton to less than \$20.00 per ton. The state tire grant should now cover all costs associated with the recycling of tires.

During discussion about the Household Hazardous Waste Collection Event, Ms. Evanyk said she spoke to a Loudon County High School representative who did not think holding the event in the school's parking lot next year would be a problem. Mr. Field said Gordon Harless, Loudon County Recycling Coordinator, was asked by the Mayor to spearhead this event in the future.

During the Treasurer's Report, Ms. Evanyk reported that the delinquent payments from the Tennessee Department of Transportation (TDOT) have been paid. Mr. Gilbert said he had made a call, but unfortunately TDOT has a reputation of paying its bills late.

During the Attorney's Report, Mr. Gilbert reported that Lenoir City had received the Commission's letter suggesting a proposed damage formula for the waste diverted by the city from the Matlock Bend Landfill, but had not yet responded. City officials relayed to Mr. Gilbert they had been busy with the development and adoption of the city's new budget, but would respond after the budget was complete.

Mr. Gilbert stated he and Chairman Field had been reconciling the proposed Santek contract with what was in the original RFP. Several Commissioners complained about the delay in getting it signed. Mr. Gilbert voiced his concerns regarding using the Santek contract versus the contract in the RFP. He informed them that an outside party might claim that the RFP process had been violated and attempt to void the new operations contract if the Commission chose to accept the Santek contract, which has several changes from the RFP version. He did state that the suggested form of contract from Santek had been reconciled to the RFP requirements in most of the key substantive areas and several ambiguities had been corrected as well as new provisions included that were favorable to the Commission. He said it was his best guess that a court would not throw the revised contract out if it was challenged by an outside party since it was the

Commission's intention not to deviate from any of the material provisions of the RFP process, but in the final analysis only a court of law could ultimately decide that issue.

Mr. Gilbert reviewed the draft contract with the Commission pointing out several areas where the original language had changed. He then informed the Commission that it had three core options: 1) require Santek to stay with the original RFP contract; 2) use the Santek form that had been reconciled to the RFP requirements and take a business risk that it would survive any procurement challenge; or 3) rebid the contract using the reconciled Santek contract. Mr. Gilbert stated that each of these options presented various advantages as well as various legal and business risks and benefits.

Chairman Field said the contract was not exactly the same, but the RFP was not perfect in all respects. He said he was "okay" with the new version. He did not believe there were any material deviations from the RFP contract requirements to the newest version of the Santek form. Mr. Thomas agreed with Mr. Field's assessment.

Mr. Waldrop asked Mr. Gilbert which change was a deal breaker for Santek. Mr. Gilbert said the assignment clause was one area where Santek would not budge. After much discussion, Mr. Field asked the Commission if they wanted to adjourn until next week since they did not have a finished product.

Mr. Gilbert asked the Commission if anyone had a problem with proceeding with the Santek form of operation contract as presented tonight as opposed to pursuing one of the other core options. No one on the Commission stated any problems.

Lastly, Mr. Phillips said he would be resigning at the end of the month and would not be present next week. He also referred to his resignation letter, which he had sent to each of the other Commissioners prior to the meeting. **MOTION:** Mr. Harrison made a motion to accept Mr. Phillip's resignation effective June 30, 2007 with regret and gratitude for his time of service. Mr. Sitzlar seconded the motion and it was approved.

MOTION: Mr. Phillips made a motion to recess the meeting at 8:30 p.m. until next Tuesday, June 19th 6:30 p.m. in the same meeting room, or if unavailable, the upstairs conference room. Mr. Stizlar seconded the motion and it was approved.

RECESSED MEETING ON JUNE 19, 2007

The Commission reconvened June 19, 2007 at 6:30 p.m. in the upstairs conference room of the Courthouse Annex. The Commission was represented by Mr. Field, Mr. Waldrop, Mr. Watkins, Mr. Harrison, Mr. Sitzlar, Ms. Patterson, and its attorney, Mr. Gilbert. Santek was represented by Ms. Dunson and its attorney, Mr. Thomas.

Mr. Field reconvened the meeting to order at 6:45 p.m., which was recessed from the Commission's June 12, 2007 regular meeting.

In light of Mr. Phillips resignation, which leaves Lenoir City without a representative on the Commission, Mr. Field requested prior to the reconvened meeting that Mr. Phillips write a letter indicating his sentiments about the Commission's RFP process. A copy of Mr. Phillips' letter was distributed to each Commissioner.

MOTION: Mr. Waldrop made a motion to include Mr. Phillips' letter as part of the meeting minutes. Mr. Watkins seconded the motion and it was approved.

Mr. Phillips' resignation creates an opening on the Commission as well as a vacancy among its officers. Mr. Gilbert noted that the Commission's bylaws required officers to be elected in each odd year at the March regular meeting and suggested the Commission elect new officers at this time.

The Chair then opened the floor for nominations for the office of Chair. Mr. Waldrop nominated Mr. Field as Commission Chair and there were no other nominations. **MOTION:** Mr. Waldrop moved that nominations cease and that Mr. Field be elected by acclamation as Chair of the Commission. Mr. Watkins seconded the motion and it was approved.

The Chair then opened the floor for nominations for the office of Vice-Chair and nominated Mr. Waldrop as the same. There were no other nominations. **MOTION:** Mr. Field moved that nominations cease for the office of Vice-Chair and that Mr. Waldrop be elected by acclamation as Vice-Chair of the Commission. Mr. Sitzlar seconded the motion and it was approved.

The Chair then opened the floor for nominations for the office of Secretary. Mr. Waldrop made a motion to nominate Mr. Sitzlar as Secretary of the Commission. There were no other nominations. **MOTION:** Mr. Waldrop moved that nominations cease for the office of Secretary and that Mr. Sitzlar be elected by acclamation as Secretary of the Commission. Mr. Field seconded the motion and it was approved.

Mr. Gilbert then distributed several documents for the Commission's review including a resolution authorizing the Commission to enter into an operation contract with Santek and authorizing other actions; a third amendment to the existing operation contract with Santek providing for certain transitional issues and termination/commencement dates from the existing operation contract to the new operation contract; and the proposed Santek operation contract for the Matlock Bend Landfill.

Following a discussion of all of the revised language changes to the proposed agreement, Mr. Harrison said he could not agree to Section 10.3 of the Santek contract which failed to apply the same General Public User rate cap to industrial waste generators. Mr. Sitzlar said he could not agree to language in Section 5.16 which pertains to obnoxious odors. Attorney Gilbert noted that both provisions departed from the RFP requirements. After lengthy debate between Commissioners, Mr. Gilbert and Mr. Thomas about the outstanding issues, the Commission agreed to take a break to allow Santek to discuss the issues privately.

Following the break, Ms. Dunson said Santek will agree to limit the rates charged to all users of the landfill to \$28 per ton. However, if Santek identifies a waste which it believes should be

charged a higher tipping fee due to handling issues, Santek requested the right to petition the Commission Chair for approval in his capacity as Contract Administrator.

Santek also agreed to the RFP language about obnoxious odors, provided it pertains only to special wastes. The Chair noted that this requirement was always aimed at special waste and not the usual municipal solid waste accepted at the landfill. The Commission agreed to these concessions and Mr. Thomas said he would make the changes to the agreement. There were also several minor language changes which needed to be made in sections 10.7, 12.7, and 3.4, as well as changes to the signature pages on the third amendment and the new agreement.

MOTION: Mr. Waldrop made a motion to accept the written resolution approving the revised Santek operation contract for Matlock Bend Landfill, the Third Amendment to the existing operation agreement with Santek and authorizing various actions of the officers in connection therewith, which resolution is appended to these minutes and made a part hereof by reference. Mr. Watkins seconded it and it was approved.

Ms. Dunson said Santek's performance bond and certificate of insurance would be forwarded overnight to Mr. Gilbert.

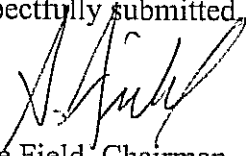
Mr. Gilbert informed the Commission that it was required to have an Ethics Policy in place by June 30th under the 2006 Ethics Law. He advised that under that law Loudon County, Lenoir City and Loudon City were required to amend the interlocal government agreement creating the Commission or adopt a new interlocal government agreement establishing an ethics policy for the Commission. He said he had reviewed the county's policy as well as the two cities' policies, and recommended that the Commission adopt either the city's or the county's ethics policy until those three governmental entities acted to comply with the new law. After some discussion, the Commission agreed to adopt the county's policy since five members of the Commission are appointed by the County.

MOTION: Mr. Waldrop made a motion to adopt the county's ethics policy and to request that each of the three governmental bodies forming the Commission amend the interlocal government agreement to establish the Commission's ethics policy in accordance with state law. Mr. Sitzlar seconded the motion and it passed unanimously.

MOTION: Mr. Waldrop made a motion to adjourn the meeting at 9:45 p.m. Mr. Harrison seconded the motion and it was approved.

The next meeting of the Commission will be July 10, 2007 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,



Steve Field, Chairman

Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
July 10, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on July 10, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison Aprell Patterson, Bill Waldrop and John Watkins. Other attendees included Attorney Bud Gilbert, and Santek representatives Paul Thomas, Stephanie Cook and Cheryl Dunson.

Mr. Field called the meeting to order. There were no items of public concern.

Mr. Harrison asked that the third page of the minutes be amended to "... Mr. Harrison said he could not agree to Section 10.3 of the Santek contract which failed to apply the same General Public User rate cap to industrial waste generators."

MOTION: Mr. Watkins made a motion to accept the minutes as amended. Mr. Waldrop seconded the motion and it passed unanimously.

During Santek's operations report, Ms. Dunson reported the construction of Module D was almost complete. She said it would be ready to receive its first lift of select waste by July 23, 2007, given Santek receives approval from the Tennessee Department of Environment and Conservation to move into the cell. Mr. Thomas later described a vandalism incident at the landfill two weeks ago in which a Santek pick-up truck was stolen and driven through the front gate.

During the Treasurer's Report, Ms. Dunson said the Schedule of Receipts and Disbursements was preliminary since Santek had not received figures from the Loudon County Finance Department related to Interest Earned and the Trustee's Commission. Mr. Waldrop asked why Grimes Construction remained on the aging report when it was his understanding the account had been paid. Ms. Dunson said she would check with Santek's accounting department.

During the Attorney's Report, Mr. Gilbert reported he had no news regarding the Lenoir City commercial waste situation. He also said Santek's \$1 million performance bond and certificate of insurance were in place. Mr. Gilbert distributed a Project List and Compliance Calendar related to the Commission's future endeavors and the Santek contract. He said he will ask Santek and Dr. Bob Bachus for their input regarding dates, and that he prepared the document in part because the Commission was converting from an operations mode to a contract compliance mode as it relates to the new Santek contract.

Mr. Waldrop asked Mr. Field if he had any more information about Tellico Village's declining recycling volumes. Mr. Field said he spoke with Gordon Harless, Loudon County Convenience Center Manager, who attributed it to better bookkeeping records.

Mr. Waldrop also asked Mr. Gilbert if there was an ethics clause in the new Santek contract regarding the hiring of Commissioners or their family members. Mr. Gilbert said Section 12.19 on page 28 of the agreement addresses any improprieties of this type and provides for their ramifications.

Mr. Field asked Ms. Dunson to explain the recent increase in the state surcharge. Ms. Dunson reported, effective July 1st, the surcharge had increased from 75 cents per ton to 90 cents. When added to the state inspection fee, total fees to the state amount to \$1.25 per ton. She said Santek made the adjustment at its other Tennessee-managed facilities, but needed direction from the Commission for the Matlock Bend Landfill. **MOTION:** After some discussion, Mr. Waldrop made a motion to assess the additional surcharge, effective July 11th. Mr. Harrison seconded the motion and it passed unanimously.

MOTION: Mr. Field made a motion to employ auditor Richard Hill to complete the Commission's 2007 fiscal year audit at a cost of \$5,225. Mr. Waldrop seconded the motion and it passed unanimously.

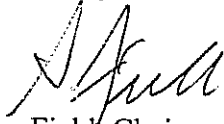
Mr. Field asked Mr. Gilbert to prepare a short summary about the new Santek contract, and to distribute it and copies of the agreement to the respective mayors of Loudon County, and the cities of Lenoir City and Loudon.

Mr. Field announced the new representative for the City of Lenoir City is Jim Akins. Mr. Gilbert said he had prepared a Commissioner's packet for the new commissioner and told the other commissioners he would be willing to update their packets if they would get them to him.

MOTION: Mr. Harrison made a motion to adjourn the meeting at 7:40 p.m. Mr. Waldrop seconded the motion and it passed unanimously.

The next meeting of the Commission will be August 14, 2007 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,



Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
August 14, 2007

The Loudon County Solid Waste Disposal Commission (Commission) met on August 14, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Ted Sitzlar, Robert Harrison, Aprell Patterson, John Watkins, and Jim Akins. Other attendees included Attorney Bud Gilbert; Santek representatives Paul Thomas and Lorie Evanyk.

Mr. Field called the meeting to order. There were no items of public concern. Mr. Field introduced Mr. Jim Akins as the new Lenoir City representative for the Commission. Each commissioner introduced themselves to Mr. Akins.

MOTION: Mr. Harrison made a motion to approve minutes for the July 9, 2007 meeting. Mr. Watkins seconded the motion and the minutes were passed unanimously.

During Santek's operations report, Mr. Watkins asked if there had been any more vandalism. Mr. Thomas said someone had thrown a rock through the bulldozer window. Mr. Evanyk updated the Commission regarding the new tire grant. Mac Tire Recyclers (MTR) is currently hauling Loudon County tires to its Knoxville facility. The haul charge will go from around \$50.00 per ton to less than \$20.00 per ton. Mr. Field asked Ms. Evanyk to attempt to get MTR to lock in the lower rate for a year. The state tire grant should now cover all costs of recycling tires.

During the Treasurer's Report, Mr. Harrison asked Mr. Thomas when Kimberly Clark would be able to bring in all the waste it had been stockpiling. Mr. Thomas said the new landfill cell should be ready to receive all of these waste volumes within a couple of weeks.

During the Attorney's Report, Mr. Gilbert reported he spoke with the Lenoir City Mayor and City Attorney during an unrelated meeting earlier in the day. The Mayor told Mr. Gilbert the Commission would have a response from the city to the Commission's letter before the Commission's next meeting in September.

Mr. Gilbert distributed a summary of the results of the RFP process. He stated the Commission might want to send the summary to its government stakeholders. Mr. Harrison suggested also sending it to the press. Mr. Field recommended that Santek might also want to issue a press release regarding the RFP process. The Commissioners made several minor changes to the document and agreed it should be sent to the government stakeholders and the press.

Mr. Gilbert also distributed a project list and calendar for the Commission. He also stated the Commission might want to add to the project list the acquisition of land for future expansion of the landfill. Mr. Field suggested that the Commission should work with Santek on this project. Mr. Sitzlar commented that the only land available was to the west.

Mr. Harrison advised that the Commission should act quickly and deliberately on this matter due to the market conditions.

Mr. Watkins asked Mr. Gilbert if the Commission had the authority to purchase land. Mr. Gilbert said his opinion was it was an implied power under the interlocal government agreement creating the Commission. Mr. Watkins suggested since it was an implied power that the government stakeholders should be notified of the Commission's intentions. Mr. Field said that would be the prudent choice. Mr. Harrison noted it would be best if they inform the government stakeholders and the public after the Commission secures an option on the property. Ms. Evanyk was asked to provide Mr. Gilbert with any expansion property drawings Santek might have to assist in this process.

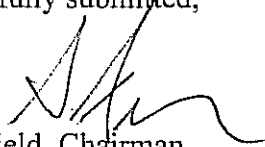
Also, Mr. Gilbert reminded the Commissioners to bring in their board manuals to the next Commission meeting so his office can update the information contained in the manuals.

Lastly, Mr. Field entertained the idea of possibly meeting with local governments at one of the next 5th Monday meetings to present the recent results of the new contract.

MOTION: A motion was made to adjourn the meeting at 8:10 p.m. Motion was approved.

The next meeting of the Commission will be held on September 11, 2007 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,



Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
September 11, 2007

The Loudon County Solid Waste Disposal Commission (the "Commission") met on September 11, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Aprell Patterson, Bill Waldrop, John Watkins, and Jim Akins. Other attendees included Attorney Bud Gilbert; Santek representatives Paul Thomas and Lorie Maples.

Mr. Field called the meeting to order. There were no items of public concern. Mr. Gilbert noticed that Ms. Maples' last name needed to be changed in the August minutes from Evanyk to Maples.

MOTION: Mr. Waldrop made a motion to approve the August minutes with the noted name change. Mr. Watkins seconded the motion. Mr. Harrison asked to amend the motion and change the word expansion to extension in the last paragraph of the first page. Also, he requested language be added regarding the need for notifying the public if the Commission purchases additional property. Motion was approved.

Ms. Maples presented Santek's Operations and Treasurer's report to the Commission. During the Treasurer's Report, Mr. Waldrop asked how the accounts receivables would be handled after October 1st. Mr. Gilbert said Santek would still provide collections of past receivables for the Commission.

Mr. Gilbert provided the Commission with copies of a draft First Amendment to the Amended and Restated Loudon County Solid Waste Disposal Agreement (the "Organization Agreement"), which incorporates the adoption of the Loudon County Code of Ethics policy as the Commission's new ethics policy pursuant to the requirements of state law.

MOTION: Mr. Watkins made a motion to approve the draft first amendment to the Organization Agreement and to direct Mr. Gilbert to send the draft for consideration and possible approval by Loudon County, Lenoir City and the City of Loudon. Mr. Harrison seconded the motion. Motion was approved.

Mr. Gilbert also provided the Commission with a solicitation from UBS Financial Services. UBS is a financial advisor that has expressed interest in managing the Commission's idle funds. The Commission discussed the idea of using an outside financial advisor rather than the Loudon County Trustee's office. Mr. Gilbert said many governments issue an RFP for these types of services and then select a firm based on reputation and experience. He also noted that state laws dictate how governments can invest their funds. Mr. Waldrop said he would like to see a five-year snapshot of what the Commission could have made if its idle funds had been invested differently. Instead of taking any action on this matter at this time, the Commissioners decided to focus on its real estate acquisition project before looking at any investment changes.

During the Attorney's report, Mr. Gilbert presented the Commission with a suggested nine-step program regarding the proposed real estate acquisition project:

1. Select the target property after conferring with Dr. Bachus and Santek and determining the strategic importance of the adjoining properties.
2. Finalize the acquisition plan. How will the Commission proceed to acquire the target property?
3. Obtain an appraisal or evaluation of the property.
4. Select an agent/facilitator to help obtain options on the property.
5. Inform the leadership of the Commission's governmental stakeholders.
6. Obtain options on the target property.
7. Advise formally the governing bodies of the Commission's governmental stakeholders.
8. Provide a meaningful process for adequate public input on the project.
9. Make final decision and implement.

Mr. Waldrop asked about the confidentiality of the property decision due to the Commission meetings being held in a public forum. Mr. Gilbert said due to the Sunshine Law the Commission was required to discuss the project and make all related decisions in open meetings. Mr. Waldrop asked to have Number 5 on the list move to the Number 6 spot. Discussions were held on approaching different parties regarding the parcels of land that were the likely targets. Mr. Gilbert suggested the Commission wait until the engineers had given their professional advice on the right choice of property. Chairman Field told members that Santek had already provided Mr. Gilbert and himself a drawing showing the Monterrey Mushroom property as Santek's recommendation for purchasing additional landfill property. He said he was still waiting on Dr. Bachus' recommendation on the project. Mr. Gilbert reminded the Commissioners that they were also waiting on Dr. Bachus' recommendations for several other outstanding projects. Mr. Waldrop said he would contact Dr. Bachus to see if he still had time to assist the Commission as its consultant. He also stated he did not remember Dr. Bachus suggesting the Monterrey Mushroom site in earlier conversations. Mr. Harrison asked Mr. Gilbert if he could email the Santek property drawing to the Commission.

Mr. Harrison stated that he believed he should abstain from making any decisions on whom the Commission chooses to facilitate with the property purchase should the Commission proceed with the project. Mr. Gilbert said there was no legal conflict with Mr. Harrison voting on such selection as long as there was no financial gain for him. Mr. Waldrop said Mr. Harrison's opinion would be invaluable to the Commission on this matter.

Chairman Field said he spoke with Mayor Arp regarding the possibility of a fifth Monday meeting to update the Loudon County Commission.

Mr. Waldrop informed the Commission he would be meeting with Jimmy Matlock and State Representative Johnson regarding the bottle bill.

Mr. Watkins asked Mr. Gilbert if he had heard from Lenoir City regarding the settlement proposal letter the Commission had sent the city and the conversation Mr. Gilbert had with the mayor and city attorney last month. Mr. Gilbert stated he had not heard anything.

MOTION: A motion was made to adjourn the meeting at 8:25 p.m. Motion was approved.

The next meeting of the Commission will be held on October 9th, 2007 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Steve Field', is written above the printed name.

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
October 9, 2007

The Loudon County Solid Waste Disposal Commission (the "Commission") met on October 9, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Bill Waldrop, Ted Sitzlar, and Jim Akins. Other attendees included Attorney Bud Gilbert; and Santek representatives Paul Thomas and Lorie Maples.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Waldrop made a motion to approve the September minutes with the addition of his name added as an attendee. Motion was approved.

Ms. Maples presented Santek's Operations and Treasurer's report to the Commission. During the Operation's Report, Ms. Maples provided a summary of the landfill gas recovery report completed last year by an independent firm. The summary concluded that the Matlock Bend Landfill was not a suitable project for the reviewing company. Currently, a new firm, Manufactured Methane Corporation, has requested permission to determine if the landfill is suitable for a gas recovery system. Mr. Waldrop suggested the Commission research landfill gas recovery options for air quality reasons. He stated there may possibly be grants available for these projects. After additional discussion, it was decided the Commission would seek an opinion from Dr. Bachus.

Mr. Gilbert informed the Commission the Lenoir City Council had not accepted the Commission's settlement proposal seeking reimbursement for lost waste streams from Lenoir City due to the city's award of a commercial collection contract to Waste Connections. Mr. Sitzlar voiced his displeasure with the city and said it was an equality issue with regards to the other governmental stakeholders. Mr. Waldrop said Mayor Arp should be informed. Mr. Gilbert suggested the Chairman and himself attend the next City Council meeting to address the issue with them directly. He also recommended Mr. Akins attend as the Lenoir City representative on the Commission.

Mr. Gilbert distributed copies of Santek's reporting requirements effective October 1st and a copy of a revised press release regarding the RFP process that the Commission requested he prepare. Mr. Waldrop asked where the press release would be published. Mr. Gilbert told him it would go to the local papers, Knoxville paper, radio, and the elected officials of each governmental body. Mr. Waldrop said the cost savings to each stakeholder should be included in the document.

Ms. Maples informed the Commission Santek would attend the 5th Monday Meeting and would be willing to present a brief overview of the new public-private partnership that has resulted from the RFP process. The Commission agreed this would be a good idea.

Mr. Gilbert distributed results of the 2004 5th Monday Meeting questionnaire to remind the Commission of the government bodies' initial opinions and desires were for the landfill. Mr.

Sitzlar observed that the Commission hit the mark on a number of the things the governmental stakeholders wanted to see done.

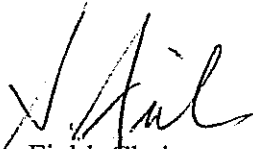
Chairman Field discussed the logistics of the 5th Monday Meeting. It was agreed he would introduce himself and the Commission and give a brief history of the landfill; Mr. Gilbert would review the survey results from the 2004 5th Monday Meeting and discuss the bid process; Santek will present a PowerPoint presentation; and the remaining time will be for questions. Mr. Gilbert said it should be around a 30-minute presentation. He also suggested they use the 5th Monday Meeting to inform the governmental bodies about their adoption of the Loudon County Code of Ethics policy.

A short discussion was held on possible property acquisitions for the landfill. Ms. Maples provided the Commission with a short summary on Santek's knowledge of how to purchase property.

MOTION: A motion was made to adjourn the meeting at 8:00 p.m. Motion was approved.

The next meeting of the Commission will be held on November 13, 2007 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,



Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
November 13, 2007

The Loudon County Solid Waste Disposal Commission (the "Commission") met on November 13, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Bill Waldrop, Ted Sitzlar, Aprell Patterson, John Watkins, and Robert Harrison. Other attendees included Attorney Bud Gilbert; and Santek representatives Paul Thomas and Lorie Maples. Lenoir City Mayor Matt Brookshire also attended the meeting.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Waldrop made a motion to approve the October minutes. Motion was approved.

Lenoir City Mayor Matt Brookshire apologized for not making a timely decision on the Commission's settlement proposal. He stated the delay was not intentional. He also informed the Commission that the Lenoir City Purchasing Committee would be making a recommendation to the City Council for a vote on November 26th.

During his report, Mayor Brookshire stated only 36 pickups of approximately 60 tons per month were under the City's control. The remainder of the 200 tons per month used in the Commission's proposal belonged to Lenoir City Schools and the Lenoir City Utilities Board. He said the schools and the LCUB were billed separately by Waste Connections. The City did not pay for these two entities. Mr. Gilbert questioned the City's control over the two entities because the original contract documents included the schools and LCUB. Several Commission members expressed their frustration regarding the City's delay in its decision. Mayor Brookshire said the City understands when it rebids the contract, it will need to include language to prevent haulers going to other landfills.

Before his departure, the Mayor informed the Commission the City was looking at a pilot project for curbside recycling. He said the recyclables would be taken to the Lenoir City Convenience Center by trailer. The 100-home project would be monitored for an unknown time period. Residents would be given clear or color-coded bags to separate their newspaper, aluminum, mixed paper, and plastics. He said they were looking at a February 1st startup date. Chairman Field stated that in the spirit of cooperation, he would like the Commission to support the City. Mr. Harrison said he would not support any funding until the City's commercial waste issue was resolved. Mr. Waldrop said he appreciated what Lenoir City was trying to accomplish. Ms. Patterson told the Mayor she believed the residents would provide their own bags if they were asked. She also suggested starting with the schools.

Ms. Maples presented Santek's Operations report to the Commission. She told the Commission the tipping fee for tires was abolished since the tire grant covered the cost of recycling the tires in Knoxville. Mr. Sitzlar asked if Santek could inform the tire retailers the tipping fee might be reintroduced if the recycling options change.

During the financial report, Mr. Gilbert reminded Ms. Maples of the contractual requirement to show the calculation of the host fee and security fee. She said she would email this month's calculation to the Commission. Lastly, Ms. Maples requested the Commission approve a \$.15-per-ton increase to the tipping fee to cover the State surcharge increase which became effective in September. Mr. Gilbert read the contract language in regards to increasing the tipping fee and recommended to the Commission that Santek should petition the Commission in writing. Ms. Maples said if they wanted something in writing she would provide it at the next meeting.

During the Attorney's report, the Commission discussed Mayor Brookshire's visit. It was decided they would await the outcome of the Lenoir City Council meeting and then decide what to do at that point.

Chairman Field said he has asked Dr. Bachus to provide the Commission with the following information: 1) a summary of the procurement process; 2) an evaluation of the closure and post-closure money the Commission is currently pledging; and 3) his availability for future studies.

Mr. Field also informed the Commission the company performing the methane study would probably be presenting their findings next month. He said they have determined it is barely financially feasible if they come to terms with Monterrey Mushrooms. Because of environmental regulations, Mr. Waldrop said the project could become necessary in a couple of years even if it was marginally economical. Mr. Harrison also reminded the Commission that at some point Title V regulations might apply.

MOTION: A motion was made to adjourn the meeting at 8:30 p.m. Motion was approved.

The next meeting of the Commission will be held on December 11, 2007 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,



Steve Field, Chairman

Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
December 11, 2007

The Loudon County Solid Waste Disposal Commission (the "Commission") met on December 11, 2007 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Bill Waldrop, Ted Sitzlar, John Watkins, Robert Harrison, and Jim Akins. Other attendees included Attorney Bud Gilbert; and Santek representatives Paul Thomas and Lorie Maples.

Mr. Field called the meeting to order. There were no items of public concern.

MOTION: Mr. Harrison made a motion to approve the November minutes. Motion was approved.

Ms. Maples presented Santek's Operations report to the Commission. She explained to the Commission in November the TDEC landfill inspector had given Santek a notice of violation for burning brush. They later reversed the violation after finding out they had given permission to Santek years ago to burn the brush. Ms. Maples told the Commission they would no longer be burning the brush and would be chipping it and using it for cover or other landfill operational uses. Mr. Thomas told the Commission the majority of the brush came in from the Loudon County Highway Department.

Mr. Sitzlar said he would like to have financial information from the Trustee's office each month. Chairman Field said he has asked Erin from Loudon County Finance to send Santek a balance sheet each month to include in the Commission's packet. Mr. Harrison said he would still like the Commission to open a separate account for the host and security fees. Mr. Gilbert said once they get a report from Dr. Bachus stating whether the State's calculations for determining post-closure costs are adequate, the Commission should consult with the auditor to setup these accounts. Several questions were asked concerning how the County shows these funds on their books. Mr. Gilbert said he would get a copy of the County's audit to see if the post-closure funds show as a liability to the County.

During the Operations Report, Ms. Maples petitioned the Commission under Section 10.3 of the Santek Landfill Operation Contract to permit Santek to pass on the \$0.15 State surcharge increase that went into effect July 1, 2007 to landfill customers.

MOTION: Mr. Waldrop made a motion to approve Santek's request to increase the tipping fee \$0.15 to cover the state surcharge increase. Motion was approved.

During the Attorney's report, Mr. Gilbert distributed post-closure information from TDEC, an updated project list and calendar, and a note from Lenoir City Administrator Dale Hurst.

The Lenoir City Council has authorized a possible settlement with the Commission of \$12,000. Chairman Field asked the Commission members if they would accept the counter proposal. Mr. Waldrop asked if the question of whether Lenoir City was paying the bill for LCUB and the schools has been researched yet. It had not been researched. He stated he was pleased Lenoir City has at least acknowledged it should not be taking the city waste elsewhere and his feeling was to accept the counterproposal. Mr. Sitzlar said before he would accept the proposal, he wanted Lenoir City

to show an allegiance towards the partnership and try and get LCUB and the schools onboard next time they go out for bid. Chairman Field asked Mr. Gilbert if he could draft a letter asking the city for its commitment to the partnership next time the city signed another contract for waste disposal. Mr. Harrison said he would accept the counter proposal with two conditions: 1) What they find out about LCUB and schools; and 2) the Commission has a discussion on what the damages are to the other partners and issues compensating grants to adjust for any losses caused by Lenoir City. The Commission was in consensus that they wanted Lenoir City to realize they are in a partnership. Mr. Akins and Mr. Gilbert were tasked to visit with the City Mayor, City Attorney and Dale Hurst informally and to try to get information on how the billing for the City, LCUB, and the schools takes place; and to generally try and resolve the issue.

MOTION: Mr. Watkins made a motion to allow Mr. Akins and Mr. Gilbert to negotiate with Lenoir City to resolve this matter. Motion was approved.

The Commission was reminded to put their upcoming project list in order of importance for next month's meeting. Mr. Harrison and Mr. Waldrop said they might not be present at the January meeting. Chairman Field asked the Commission to email Mr. Gilbert if anyone will not be in attendance.

Chairman Field informed the Commission the County Mayor had received an odor complaint from a landfill neighbor. Mr. Field called the woman and she told him it was methane. Mr. Field reported it to Santek who did some investigating. Mr. Field called her back the next day and she said the smell was gone. Mr. Field said he was not sure the odor was coming from the landfill and noted that methane is odorless.

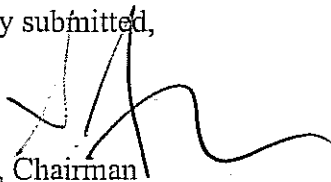
Chairman Field stated Loudon County Convenience Center Manager Gordon Harless would be heading up the Household Hazardous Waste Day. Contractually, Santek was given the duty of organizing the event, but the County Mayor delegated this event to Mr. Harless. Santek will assist the County as needed. Mr. Harless told Chairman Field he was trying to provide paint recycling to residents. He also spoke to him about a contractor who would like to have a scrap metal container at the landfill. Mr. Waldrop asked if anyone knew where the glass from Tellico Village was going since they did not collect it at the convenience centers. Chairman Field said he would ask Mr. Harless if he knew where Waste Connections took the glass.

The Commission was told the landfill-to-gas company was not able to do their presentation this month. Chairman Field said it would probably be in January or February.

MOTION: A motion was made to adjourn the meeting at 8:20 p.m. Motion was approved.

The next meeting of the Commission will be held on January 8, 2008 at 6:30 p.m. at the Courthouse Annex

Respectfully submitted,



Steve Field, Chairman
Loudon County Solid Waste Disposal Commission