

Minutes
Loudon County Solid Waste Disposal Commission
January 12, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on January 12, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Jim Akins, Robert Harrison, Aprell Patterson, Ted Sitzlar, Bill Waldrop and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson, Levi Higdon and Justin Givens; Gordon Harless; and an unidentified member of the public.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the December 8, 2009 minutes of the Commission's regular meeting. Mr. Watkins suggested several changes to the minutes including the deletion of the word "future" in the fifth paragraph and a clarification related to the Monterey Mushroom property if the Commission purchased it during the term of Santek's operations agreement.

MOTION: Mr. Waldrop made a motion to approve the minutes as corrected and Mr. Harrison seconded the motion. The minutes passed unanimously.

There were no Items of Public Concern.

Ms. Dunson presented the Cash Activity Report and Santek's operations report for December of 2009. During the Operations Report, Ms. Dunson noted Waste Connections is no longer bringing waste to the landfill and has signed an agreement with Tennessee Trash to return waste to the transfer station. She also reported the landfill's new scale house and office should be fully functional by mid-February. Ms. Dunson distributed copies of a preliminary design of a proposed landfill expansion incorporating the Monterey Mushroom property. The expansion would result in 1.7 million cubic yards of additional airspace and approximately 3.5 years of life at 800 tons per day. Ms. Dunson said she could not report to the Commission at this time if there is any virtue in Santek developing the property in lieu of other landfill cells, but could make suggestions at a later date.

During his report, Mr. Gilbert said he recently spoke with Richard Hill and the 2008-2009 audit should be completed in February. Mr. Gilbert also reported on a recent update from Jay Cobble regarding his adjoining property acquisition efforts. Mr. Cobble reported that after several failed attempts, he had finally made contact with Tennessee National regarding the sale of a portion of their land adjoining the landfill to the Commission. Mr. Cobble said while Tennessee National officials seemed at first uninterested in discussing a sale, they did express some interest in discussing a possible swap of land that might benefit them and are willing to meet with Mr. Cobble to hear his proposal. Mr. Gilbert reminded the Commission the option on the Ryan property expires in May and the Matlock property option expires in February.

Mr. Harrison informed the Commission he explored the Matlock property today with a geologist. He said the property's topography is fairly conducive to the Commission's needs and there was no water in the creek bed. However, he indicated there could be some hydrogeological issues in the location where the property connects with Tennessee National and the Ryan property. He emphasized to members of the audience the Commission was pursuing property purchases to prepare for waste disposal for the next 20 to 60 years.

Mr. Gilbert said he received the landfill gas lease agreement from Santek's attorney, Scott Thomas, and Mr. Gilbert was prepared to talk to the Commission about it. However, he said it might be prudent for the Commission to engage independent legal counsel who has experience and expertise in negotiating landfill gas lease agreements. Mr. Gilbert also said the document needed to contain reasonable buy back provisions to coincide with the expiration of Santek's landfill management agreement. Mr. Field encouraged Mr. Waldrop to review the document on the Commission's behalf and instructed Mr. Gilbert to seek independent legal counsel.

Mr. Field asked Mr. Harless if he had received any confirmation regarding Loudon County's 2010 Household Hazardous Waste Collection Day. Mr. Harless said he submitted three suggested dates to the Tennessee Department of Environment and Conservation and was awaiting confirmation.

Mr. Watkins asked Mr. Harless about the environmental appropriateness of co-mingling scrap metal with television sets and electronics at the convenience center across the river. Mr. Harless indicated the new vendor prefers to accept the materials co-mingled. Mr. Field suggested that the management of this issue might need to be visited by the program.

Mr. Waldrop made a motion to adjourn the meeting at 7:45 p.m. Mr. Sitzlar seconded the motion and the meeting was adjourned.

The next meeting of the Commission will be February 9, 2010 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,

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

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
February 9, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on February 9, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Jim Akins, Robert Harrison, Ted Sitzlar, Bill Waldrop and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson, Levi Higdon and Justin Givens; Gordon Harless; Loudon County Commissioner David Meers; MTR Representatives Steve Chadwell and Tom Carter; Brown Caldwell representatives Steve Batiste and Kirk Sichelstiel; and several members of the public.

Mr. Field called the meeting to order.

MOTION: Mr. Field asked for a motion to approve the January 12, 2010 minutes of the Commission's regular meeting. Mr. Watkins made a motion and Mr. Sitzlar seconded it. The Commission approved the minutes unanimously.

Mr. Chadwell and Mr. Carter made a presentation to the Commission about locating a tire shredding operation in Loudon County. MTR has been in business since 1990, currently contracts with 82 Tennessee counties, and processes 100,000 tons of tires each year. Mr. Chadwell said he has been working with Loudon County industrial recruiter Pat Phillips and the Loudon County Economic Development Council. He has identified two potential sites within the county for the facility, one of which is located at 1375 Monterey Drive near the mushroom plant and the other at the Ft. Loudoun Terminal. Mr. Chadwell said he met with the Loudon County Commission (LCC) two weeks ago to seek its approval for the waste processing facility. Since the LCC must pass the Jackson Law, it instructed MTR to make a presentation to LCSWDC and seeks a recommendation from the Commission.

Commissioners then began asking Mr. Chadwell and Mr. Carter questions about the facility as it relates to ash toxicity, air and water quality issues, zoning, time frames, equipment needs, operational and facility requirements, landfill by-products, personnel needs, vehicle counts, and MTR's Knoxville and Nashville facility.

Mr. Field emphasized to Commissioners that MTR was not asking LCSWDC for approval. Rather, LCC has asked LCSWDC for a recommendation on the environmental appropriateness of the industry. Based on MTR's presentation, Commissioners Meers said LCC needed more time to evaluate the proposal and said he would talk to Loudon County Mayor Doyle Arp about deferring a decision to LCC's April meeting. He said he wanted to make sure the county recruited safe and clean industries to the area.

Mr. Field then opened up the meeting for public comments. Tennessee National representative Mark Frontzes submitted a letter to the Commission and publicly went on record opposing the proposed MTR location near Monterey Mushroom. He said the site was too close to sold Tennessee National lots and expressed concern about potential fires

and vehicular traffic. He also said the facility is more appropriately located at a barge terminal. Resident Aileen Longmire said she did not think the MTR facility would be a positive addition to the Matlock Bend area and asked if the local municipalities would have to vote on the facility if LCC approves it. Mr. Carter said the cities would only vote on the facility if they opted into the Jackson Law and neither municipality had. Ms. Longmire asked if MTR had secured a lease at either location and Mr. Carter said no.

Mr. Field said it would have been helpful to LCSWDC's deliberations if MTR had a proposed operations plan, had made a decision on a location and had some visual aids. Mr. Harrison said he had concerns about the Monterey location and said he would need to visit both proposed locations before he could decide to recommend the project to LCC. Mr. Carter encouraged Commissioners to visit MTR's Nashville location and to perform a file review at the Tennessee Department of Environment and Conservation. Commissioners agreed to travel to Nashville February 19th.

Mr. Field called for a brief recess of the meeting at 8:15 p.m.

Upon the reconvening of the meeting, Ms. Dunson presented the Cash Activity Report and Santek's operations report. During the operations report, Mr. Sitzlar asked Ms. Dunson to prepare an itemized invoice on the reimbursement of the new scale house. Mr. Higdon also asked the Commission how it preferred Santek to remove the old scales. Mr. Field instructed Mr. Higdon to contact Mr. Harless about how the old scales might be recycled or best disposed.

Mr. Batiste presented the Commission with a study of a Cost Estimate of the Matlock Bend Landfill's Closure and Post Closure Care Liabilities Beginning in Year 2028 and Ending 2058. He said his estimates were different from Santek's since Santek used actual costs, and Brown and Caldwell (BC) used Means Heavy Construction Costs Guidelines. BC's low estimate was approximately \$4.8 million and the high estimate was approximately \$10.6 million. Mr. Batiste said the differences between the two estimates were based on the use of on-site soil versus off-site soil. Neither estimate included a line item for the cost of permit documents, CQA and landfill gas monitoring.

During the Attorney's Report, Mr. Gilbert informed the Commission the option on the Matlock property expires at the end of February. Under the option terms, the Commission has the right to buy nine acres at a cost of \$10,000 per acre and the remainder of the property (36 acres) at a cost of \$12,000 per acre.

MOTION: Mr. Harrison made a motion to exercise the option on the entire property. Mr. Waldrop seconded the motion. Mr. Sitzlar said he was comfortable purchasing the nine acres, but said he could not vote for the motion because Mr. Matlock raised the price on the 36 acres when he realized the Commission might be interested in purchasing all of the property. Mr. Field asked for roll call vote. Mr. Akins, Mr. Harrison, Mr. Waldrop, Mr. Watkins and Mr. Field voted "yes." Mr. Sitzlar voted "no."

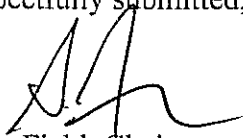
Ms. Dunson told the Commission the Letter of Intent (LOI) on the landfill gas agreement had expired and asked the Commission to consider extending the LOI an additional 90 days.

MOTION: Mr. Harrison made a motion to extend the LOI and Mr. Akins seconded the motion, which passed unanimously.

Mr. Waldrop made a motion to adjourn the meeting at 10:05 p.m. Mr. Sitzlar seconded the motion and the meeting was adjourned.

The next meeting of the Commission will be March 9, 2010 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,

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

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
March 9, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on March 9, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Jim Akins, Robert Harrison, Aprell Patterson, Ted Sitzlar, Bill Waldrop, and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson, Levi Higdon and Justin Givens; Gordon Harless; MTR Representatives Steve Chadwell and Tom Carter; and residents Aileen Longmire and Pat Hunter.

Mr. Field called the meeting to order.

MOTION: Mr. Field asked for a motion to approve the February 9, 2010 minutes of the Commission's regular meeting. Mr. Waldrop made a motion and Mr. Watkins seconded it. The motion was approved unanimously.

During Items of Public Concern, Ms. Longmire said she witnessed a truck traveling on Hwy. 72 without a tarp. She also asked Mr. Field where she could find a copy of Santek's contract. Mr. Field said he believed a copy could be found in the Loudon County Mayor's office.

Since last month's Commission meeting, Mr. Chadwell said MTR has directed all of its attention to locating a tire shredding facility in the Ft. Loudoun Terminal area. Mr. Harrison and Mr. Field said they both visited MTR's Nashville facility February 19th. Mr. Harrison said the operation was well run and located in a heavy industrialized area. He also said the operation would be well suited for the Blair Bend Industrial Park or the Ft. Loudoun Terminal area. Mr. Field said MTR's Nashville facility appeared to be very labor intensive and he was impressed with the water misting system used to control dust. He also said the Ft. Loudoun Terminal site would be consistent for MTR's use.

Mr. Chadwell gave a Power Point presentation detailing one of MTR's tire shredding operations, and presented samples of tire shreds and end-use products to the Commission. Commissioners questioned Mr. Chadwell and Mr. Carter about MTR's reimbursement procedures and audit issues with the Tennessee Department of Environment and Conservation (TDEC); personnel needs; and financial assurances requirements. Mr. Watkins asked Mr. Field and Mr. Harrison if either commissioner had any serious concerns about locating a MTR facility in Loudon. Both commissioners replied, "No."

Mr. Field asked members of the audience if they had any questions. Ms. Hunter asked about vehicle count, tire generation rates, operational hours, and MTR's environmental track record. Mr. Gilbert responded that his firm conducted a compliance file review at TDEC's Knoxville and Nashville field offices and discovered "nothing remarkable." He said it appeared from the file that MTR has a good history of correcting problems. Mr. Gilbert also said he researched the Jackson Law and found that a court of appeals decision

had applied the requirement to a solid waste processing facility. TDEC concurs with this ruling. He said the cities of Lenoir City and Loudon have not opted into the Jackson Law based on his firm's last review of that issue, but Loudon County has. He also said the Commission is well within its legal right to make a recommendation about the MTR facility to the county.

Mr. Akins said as Lenoir City's representative to the Commission he has talked to the Lenoir City mayor and city council about MTR and they are receptive to the industry.

MOTION: After lengthy discussion, Mr. Akins made a motion for the Commission to recommend that MTR receive "Jackson Law" approval for the construction of a tire recycling facility in a closed building environment at the Fort Loudoun Terminal in the Fort Loudoun Industrial Park in Lenoir City, Tennessee. Mr. Watkins seconded the motion and it passed unanimously.

Mr. Field called for a five-minute recess at 7:55 p.m.

Upon the reconvening of the meeting, Ms. Dunson presented the Cash Activity Report and Santek's operations report. During the operations report, Ms. Dunson detailed Santek's work on unclogging the landfill's leachate collection lines and pumps, and updated the Commission about Santek's March 5th meeting with officials from TDEC's Knoxville Field Office in response to the February 22, 2010 inspection. A subsequent inspection on the day of the Commission's meeting indicated that the V2 8360 infraction had been lifted and the V2 8350 infraction had been lowered to V1. The inspector also noted significant progress had been made on site.

During the Attorney's Report, Mr. Gilbert informed the Commission he received a February 16th letter from the auditor indicating the audit was "unqualified" and, therefore, deemed clean with no exceptions. He said the statement of revenue was more simplistic under the new Santek contract. Mr. Gilbert also stressed to the Commission that closure and post-closure cost estimates would increase when the landfill's major permit modification is secured and accordingly, would most likely, have an adverse affect on the Commission's financial statements.

Regarding the Commission's recent decision to acquire the Matlock property adjoining the landfill, Mr. Gilbert said the purchase option has been exercised and he has identified a surveyor to complete an updated survey on the property and is currently looking for an engineering firm to conduct a Phase I environmental survey of the property. He said he is coordinating a closing date with the property owners since they are in Florida until April.

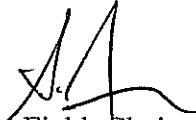
Mr. Gilbert said he is still seeking the help of an outside firm to help the Commission with the terms of a landfill gas agreement with Santek. He said the key issue remains the percentage of royalty to the Commission. Mr. Harrison suggested contractually separating the sale of energy from revenue from the sale of carbon credits.

Mr. Field said he has been contacted by a consultant representing a company that wants to site a facility in Loudon to turn garbage into ethanol. He said he would provide the Commission with more details at a later date.

MOTION: Mr. Waldrop made a motion at 9:15 p.m. to adjourn the meeting. Mr. Harrison seconded the motion, which was approved unanimously.

The next meeting of the Commission will be April 13, 2010 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,

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

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
April 13, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on April 13, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Jim Akins, Robert Harrison, Aprell Patterson, Ted Sitzlar, Bill Waldrop and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Levi Higdon; Gordon Harless; Kirk Sichelsteil with Brown & Caldwell; Jay Cobble with Blue Ridge Development; resident Aileen Longmire and an unidentified resident.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the March 9, 2010 minutes of the Commission's regular meeting. Mr. Watkins noted the need to insert the word "credits" after the word "carbon" on page two.

MOTION: Mr. Harrison made a motion to approve the minutes with the correction noted by Mr. Watkins. Mr. Waldrop seconded the motion. The Commission approved the motion unanimously.

During Items of Public Concern, Ms. Longmire inquired about the status of MTR's proposed tire shredding facility. Mr. Field said the Lenoir City location is in a flood way and is not considered to be appropriate for a tire shredding facility. He said MTR was looking for a different site that meets its needs.

Ms. Dunson presented the Cash Activity Report and Santek's operations report. Ms. Dunson indicated all violations have been lifted and the pond clean-out work has been completed.

During the Attorney's Report, Mr. Gilbert informed the Commission he was close to wrapping up the revised draft landfill gas lease agreement with Santek. He said he added suggested comments from Mr. Waldrop and left the royalty provision blank, which he indicated was a business decision to be made by the Commission. Mr. Harrison said tax benefits should not be excluded from the sharing of revenue with the Commission. He said at the very least the Commission needs timely information about available federal money, as well as when it expires or could be extended. Mr. Sitzlar asked Mr. Gilbert if he was any closer to hiring a third-party expert.

MOTION: Mr. Waldrop made a motion to insert "7.5%" of revenues into the revised draft. Mr. Akins seconded the motion and it was approved on a 5-2 vote with Mr. Harrison and Mr. Sitzlar voting no.

Mr. Gilbert said he received two proposals for surveying the Matlock property. He received proposals from Miller Land Surveying and Benchmark Associates. Mr. Harrison

said he has experience working with both surveying companies. After some discussion, Mr. Waldrop said both proposals were comparable in price and he suggested the Commission accept the lowest bid.

MOTION: Mr. Akins made a motion to accept the Benchmark proposal for a lump-sum price of \$8,675. Mr. Waldrop seconded the motion and it passed unanimously.

Brown and Caldwell was the only firm to submit a phase I Environmental Site Assessment of the Matlock property at a cost of \$4,700.

MOTION: Mr. Harrison made a motion to approve the Brown and Caldwell proposal. Mr. Sitzlar seconded the motion and it passed unanimously.

Mr. Cobble gave the Commission an update on various other potential property acquisitions adjoining the Matlock Bend landfill. He said he has not followed up with the Purdys since he initially spoke to them. The Atchley property is now owned by the Halls, who have not thought about selling the land but are open to discussion about the matter. The Ryan property is under option and can be secured at the appraised price. The option expires May 21, 2010. Tennessee National has indicated it does not want any dealings with the Commission due to the perceived negative affect a land sale to the landfill might have on property owners and prospective customers.

Mr. Field asked the Commission if it wanted to make a decision on some or all of the Ryan property at \$6,000 per acre. He also asked the Commission if it wanted Mr. Cobble to approach the Halls again. Mr. Gilbert suggested the commission secure an option on the Purdy property; pursue discussions with the Halls at the appraised property cost of the Ryans; and consider obtaining an extended option and/or right of first refusal on the remainder of the Ryan property in exchange for its decision to purchase the Ryan property up to the ridgeline. Mr. Gilbert said this would give the Commission time to have more information in hand by its next meeting.

MOTION: Mr. Waldrop made a motion authorizing the actions outlined by Mr. Gilbert's proposal. Mr. Watkins seconded the motion. The vote was 6 in favor and 1 opposed with Mr. Sitzlar voting no.

Mr. Field asked Mr. Harless to apprise the Commission about a recent cattle issue allegedly involving the landfill. Mr. Harless said a cattle farmer known as Mr. Hughes has been running cattle on the Hall property. Mr. Hughes reported to the Loudon County Sheriff's Department that he found several dead cows and a possum, and claimed the landfill was the source of the problem. Mr. Harless visited the site with a representative from the Tennessee Department of Agriculture and the Loudon County Agricultural Extension Agent and witnessed seven dead cows, one dying cow, and a dead possum. One calf was taken to the University of Tennessee for a necropsy exam. Initial screening indicated malnutrition and the calf appeared to have internal parasites. Mr. Harless, the County A. G. agent and the representative from the Department of Agriculture walked over

part of Mr. Hughes' property and discovered a dead cow in the pond where the cattle water.

Mr. Harless said approximately one week after the discovery of the dead cattle, a Loudon County sheriff's deputy wrote a report to the National Response Center that included language that the cows had died from sewage coming from the landfill. Mr. Field subsequently met with the representatives of the sheriff's department. Mr. Field received assurances from the sheriff's representatives that if a similar incident occurs again, they will call Mr. Harless.

The landfill was inspected the day of the incident by TDEC's Solid Waste Division and received a good inspection report. It was also inspected by TDEC's Water Pollution Control Division on the date the Loudon County Sheriff's Department notified the National Response Center and again received a good report.

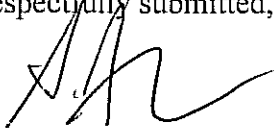
Mr. Field asked the Santek representative present at the meeting if they had been contacted by Mr. Hughes regarding this matter and Ms. Dunson indicated there had been no such contact from Mr. Hughes.

Mr. Harless reported 350 residents took advantage of the Household Hazardous Waste Collection Event April 10th.

MOTION: Mr. Harrison made a motion at 8:55 p.m. to adjourn the meeting. Mr. Watkins seconded the motion and the meeting was adjourned.

The next meeting of the Commission will be May 11, 2010 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 11, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on May 11, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Jim Akins, Robert Harrison, Ted Sitzlar, and Bill Waldrop. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Levi Higdon; Gordon Harless from Loudon County; and the following member of the general public: Sarah Dailey, Ron Hurst, Steven Cox, Ralph Adcot, James L. Jameson, James T. Jameson, Randy Jameson, Rev. Randy Irons, Mike Orr, Martha Johnson, Lawrence Johnson, Ralph Scott, Jimmy Reynolds, and James Purdy.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the April 13, 2010 minutes of the Commission's regular meeting.

MOTION: Mr. Harrison made a motion to approve the April minutes. Mr. Waldrop seconded the motion. The Commission approved the motion unanimously.

During Items of Public Concern Sarah Dailey and Lawrence Johnson addressed the Commission regarding its plans to acquire additional property adjoining the Matlock Bend Landfill and expressed their concerns about the expansion of the landfill.

Ms. Dunson presented the Cash Activity Report and Santek's operations report for April.

During the Attorney's Report, Mr. Gilbert updated the Commission on recent activity involving the acquisition of property adjoining the Matlock Bend Landfill. Following discussion of these matters, the following motions were made:

MOTION: Mr. Harrison made a motion to accept the Phase I report on the Matlock property acquisition prepared by Brown & Caldwell and distributed to the Commission by Attorney Gilbert. Mr. Waldrop seconded the motion and it passed unanimously.

MOTION: Mr. Waldrop made a motion to accept and approve (i) the Purchase and Sale Agreement with Donald R. Purdy and Karen P. Beasley for the Purdy property, consisting of approximately 4.94 acres more or less of property in Loudon County for the purchase price of \$170,000.00; (ii) the survey proposal from Benchmark Associates for \$950.00 for the Purdy acquisition, and (iii) the Phase I proposal from Brown & Caldwell for such acquisition for a fee not to exceed \$4,700.00, all as presented by Attorney Gilbert. Mr. Harrison seconded the motion and it passed unanimously.

The Commission then discussed possible options relative to the Ryan property acquisition and the following motions were made:

MOTION: Mr. Harrison made a motion to exercise the Ryan option and purchase up to the ridge line subject to a satisfactory option/right of first refusal on the remainder of the property. Mr. Waldrop seconded the motion, which failed on a vote of 3-2 with Mr. Akins and Mr. Sitzlar voting no and the remaining members of the Commission voting yes.

MOTION: Mr. Akins made a motion to exercise the Ryan option and purchase that portion of the subject property below the ridge line that is rectangular in shape and located approximately 500 feet from the property's southern boundary with Matlock Bend Landfill, such area to contain approximately 12 acres, plus or minus, subject to a satisfactory option/right of first refusal on the remainder of the property. Mr. Waldrop seconded the motion and it passed unanimously.

Attorney Gilbert also updated the Commission on recent developments regarding the Gas Lease with Santek that is currently being reviewed by him and outside council to the Commission. Chairman Field then reported on the 2010 Solid Waste Conference that was held at the end of April in Gatlinburg, Tennessee.

MOTION: Mr. Waldrop made a motion at 9:10 p.m. to adjourn the meeting. Mr. Akins seconded the motion and the meeting was adjourned.

The next meeting of the Commission will be June 8, 2010 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 8, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on June 8, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison and Jim Akins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Levi Higdon; Gordon Harless; Kurt Sichelsteil with Brown & Caldwell; property owner Ed Ryan; residents Aileen Longmire and Pat Hunter; and an unidentified resident.

Mr. Field called the meeting to order, but because there was not a quorum of commissioners, no official action was taken and the minutes from the May meeting were not presented for approval.

There were no Items of Public Concern.

Ms. Dunson presented the Cash Activity Report and Santek's Operational Report for the month of May.

Mr. Sichelsteil presented his preliminary findings related to the Environmental Site Assessment of the Purdy and Matlock properties. He said he investigated environmental conditions, site history, past usage of the properties and general site reconnaissance. He noted no environmental concerns or conditions with the Matlock property. However, because the Purdy property contains a spring that may have historically low-level contamination, he recommended further investigation of the site. Mr. Field asked Mr. Sichelsteil to submit a cost estimate to conduct a Phase II environmental assessment of the Purdy property to Mr. Gilbert.

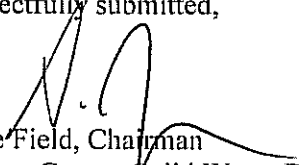
During his Attorney's Report, Mr. Gilbert acknowledged Mr. Ryan's attendance at the meeting and reported that Mr. Ryan was receptive to a land swap with the Atchley's. However, the Commission's option on the Ryan property has expired. Due to the willingness of Mr. Ryan to sell his property, Mr. Gilbert recommended the Commission extend its option for an additional six months for \$2,500, which would give the Commission's realtor, Jay Cobble, more time to enter into negotiations with the Atchley's and Mr. and Mrs. Ryan.

With regards to the Matlock Property, Mr. Gilbert said he was ready to close on the sale of the property and he believed he had the existing authority to do that without another vote of the Commission. He anticipated closing on the property the following week, given his ability to get a check from the Loudon County Finance Director and Trustee.

Mr. Harrison reported his local Rotary Club is interested in coordinating a model recycling program at this year's Fiddler Convention. He asked if the Commission was interested in partnering with the Loudon Rotary Club. There was no adverse response from the Commission members present so Mr. Field asked Mr. Harless to look into the project.

The meeting adjourned at 7:45 p.m. The next meeting of the Commission will be July 13, 2010 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 13, 2010**

The Loudon County Solid Waste Disposal Commission (Commission) met on July 13, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Bill Waldrop and Aprell Patterson. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Levi Higdon; Gordon Harless; resident Aileen Longmire; and an unidentified resident.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the minutes of June 8, 2010.

MOTION: Mr. Harrison made a motion to approve the June minutes with a correction to Kurt Sichelsteil's name. Mr. Waldrop seconded the motion. The motion was approved unanimously.

Mr. Field asked for a motion to approve the minutes of May 11, 2010. Mr. Harrison noted a correction in the minutes concerning the Commissioner who seconded a motion related to the purchase of the Purdy property. Mr. Harrison seconded the motion not Mr. Waldrop.

MOTION: Mr. Waldrop made the motion to approve the minutes of May 11, 2010 with the correction as noted. Mr. Harrison seconded the motion and the motion was approved unanimously.

There were no Items of Public Concern.

Ms. Dunson presented the Cash Activity Report and Santek's Operational Report. During the operational report, Ms. Dunson submitted an itemized list of invoices related to the construction of the landfill's new scale house. She asked the Commission to reimburse Santek for the Commission's share of the expenses. Mr. Field and Mr. Harrison said they preferred to defer reimbursement for a month until Mr. Sitzler and Mr. Gilbert had an opportunity to review the invoices.

During his Attorney's Report, Mr. Gilbert reported he was in receipt of Santek's renewed \$1 million performance bond.

He also presented the Commission with copies of the closing documents, warranty deed and settlement statement for the Matlock Property. Mr. Field asked Mr. Gilbert to send copies to Tracey Blair with a full-size copy of the map.

Mr. Gilbert then presented the Commission with a written resolution authorizing the Commission to purchase the Purdy property for \$170,000 pursuant to the Commission's pending purchase agreement with the sellers.

MOTION: Mr. Harrison made a motion to approve the resolution as presented. Mr. Akins seconded the motion and the Commission passed the motion unanimously.

Mr. Gilbert reported the Purdy's have asked to remain in their house for a few months after the Commission has purchased the property because of logistical issues related to their new residence. Mr. Gilbert advised the Commission to avoid becoming a landlord or rental agents due to liability and rental issues. After some discussion, Mr. Waldrop recommended the Commission instruct Mr.

Gilbert to tell the Purdy's the Commission would delay its closing on the property to accommodate the Purdy's schedule. But because the Commission is a governmental entity, it was not in the position to rent the property after it purchases it. Mr. Harrison said he would go by and look at the house.

Mr. Gilbert reported Ed Ryan remains very interested in selling his property to the Commission. The owners of the Atchley property are not interested in selling their property, but might entertain a land swap with Mr. Ryan. Mr. Gilbert recommended the Commission exercise a property option with Mr. Ryan for another six-month period for \$2,500 which will give the Commission's real estate agent time to determine if a property swap can be accomplished with the Atchley's.

MOTION: Mr. Harrison made a motion to exercise the option on the Ryan property for an additional six months for \$2,500, beginning when the original option expired in May. Mr. Atkins seconded the motion and the Commission passed it unanimously.

Mr. Gilbert said he has been in discussions with Jeffrey Karp, an attorney with the Washington, DC-based law firm Sullivan and Worcester, regarding Santek's Gas Lease Agreement. He said the law firm has made substantial revisions to the agreement, but has not tendered those changes to Santek yet. Mr. Gilbert said he is not now comfortable with the Commission negotiating with Santek because it might trigger legal problems related to Tennessee procurement laws. He indicated he raised these concerns with Santek's attorney, Scott Thomas, the afternoon of the Commission's meeting. After lengthy discussions, the Commission instructed Mr. Gilbert to employ Brown & Caldwell to perform an informal poll of potential bidders to determine if gas companies would be interested in bidding on the project, knowing Santek has the right of first refusal once bids are accepted by the Commission. Results of the informal poll are expected by the Commission's August meeting.

Mr. Field said he received a proposal from auditor Richard Hill with Mitchell, Emert & Hill to audit the Commission's financial statement for the year ended June 30, 2010. Mr. Hill's proposed a fee of \$5,775.

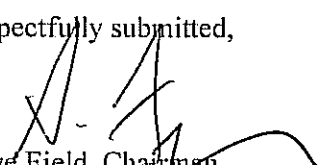
MOTION: Mr. Harrison made a motion to accept the proposal. Mr. Akins seconded the motion and the Commission passed it unanimously.

Mr. Field said he would approach Loudon County's web page master to see if the county would post the Commission's agenda and minutes on the web site.

MOTION: Mr. Waldrop made a motion to adjourn the meeting at 9:10 p.m.. Mr. Akins seconded the motion and it passed unanimously.

The next meeting of the Commission will be August 10, 2010 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 10, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on August 10, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Bill Waldrop, Ted Sitzlar, John Watkins and Aprell Patterson. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson, Levi Higdon and Justin Givens; Gordon Harless; resident Aileen Longmire; and an unidentified resident.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the minutes of July 13, 2010.

MOTION: Mr. Waldrop made a motion to approve the July minutes. Mr. Harrison seconded the motion. The Commission approved the motion unanimously.

There were no Items of Public Concern.

Ms. Dunson presented the Cash Activity Report and Santek's Operational Report. During the operational report, Mr. Watkins asked Ms. Dunson to add individual tonnage matrices for Kimberly Clark and Tate & Lyle so the Commission can more closely track waste volumes. Ms. Dunson also asked the Commission to approve all or a portion of the invoices related to the Commission's share of the landfill's new scale house.

MOTION: Mr. Harrison made a motion to reimburse Santek for one half of the presented invoices (excluding any costs for furniture and office equipment) related to the construction of the new scale house and to authorize the payment of \$30,524.52 for this purpose. Mr. Sitzlar seconded the motion, which passed unanimously.

During the Attorney's Report, Mr. Gilbert reported the Commission had closed on the purchase of the Purdy property. He said there was a slight problem at closing time with the late arrival of a termite letter which indicated some infestation. Mr. Gilbert said approximately \$1,700 was withheld from the Purdy's at the closing in order to remedy the infestation problem in accordance with the requirements of the real estate purchase agreement for the property. However, following the closing, realtor Jay Cobble said the house was in good shape and structurally sound. He also made no notation of termite damage.

A lengthy discussion then followed as Commissioners debated the fate of the empty house. Mr. Harrison suggested talking to Wattenbarger Smith Real Estate to determine if the company would be interested in helping the Commission rent the house. Mr. Field asked if Santek had an interest in the house. Mr. Sitzlar was concerned with vandalism in the event the house remains empty. Mr. Waldrop asked about insurance costs.

MOTION: Mr. Harrison made a motion to release the remaining escrow money to the Purdy's. Mr. Sitzlar seconded the motion. The motion passed 6-1 with Mr. Watkins voting no.

MOTION: Mr. Harrison made a motion to demolish the house and pole barn. The motion died for lack of second.

Mr. Waldrop then recommended Mr. Harrison identify a rental agent. Ms. Dunson will inquire with Santek employees about their potential interest in renting the home.

MOTION: Mr. Waldrop made a motion to authorize Mr. Gilbert to secure liability insurance on the house. Mr. Sitzlar seconded the motion and it passed unanimously.

Mr. Gilbert reported Ed Ryan is agreeable to extending his property option with the Commission for \$2,500 for an additional six months. The option will expire on or about November 20, 2010. Closing on the portion of his property previously approved by the Commission will be delayed until the Commission determines the feasibility of a land swap with the owners of the adjoining Atchley property.

Mr. Gilbert said one of the Commission's governmental responsibilities is to keep its governmental stakeholders informed of major developments that might be of interest to the public, like adjoining property purchases. Mr. Waldrop suggesting waiting 30 days to determine if the Commission will have a more definitive direction from the owners of the Atchley property on the possible land swap.

Mr. Gilbert said he has not had any communication with Santek's attorney to overcome the procurement issue as it relates to the development of the landfill gas-to-energy project. He also said he is concerned about Santek developing the project by itself and perhaps hiring an outside contractor, which might suggest that a competitive bidding environment existed. Mr. Gilbert distributed a Sole Source Bidding Analysis performed by Brown and Caldwell for the Commission, which listed six potential energy development companies and their respective interest in the landfill gas. At best, only two had an interest but he was concerned that might be enough of an indication to require competitive bidding. Mr. Gilbert said the Commission has two primary options at this point. The first being to issue a Request For Proposals in which it fully discloses Santek's first right of refusal on the project and seeks all qualified bidders for the project. The second option is to follow-up with Brown and Caldwell on the level of interest expressed by the two potential bidders and have a meeting with Santek to determine if the Commission is in a sole-source situation.

Mr. Harrison suggested a meeting with Santek to determine how Santek intends to proceed with the development and operation of the gas project. Mr. Waldrop also suggested he have a more in depth conversation with Steve Batiste to assess gas development companies' interest in the Matlock Bend Landfill. Mr. Waldrop offered to meet with Santek and talk with Mr. Batiste, and report back to the Commission at its next meeting.

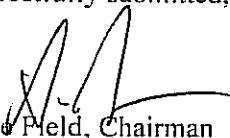
MOTION: Pursuant to Mr. Gilbert's recommendation and request, Mr. Waldrop made a motion to ratify legal counsel's engagement of Brown and Caldwell on the Sole Source Bidding Analysis and to authorize the payment of \$3,000 to Brown and Caldwell for this work on the gas project. Mr. Harrison seconded the motion and it passed unanimously.

Mr. Field reported he has a meeting scheduled with Loudon County Mayor Arp, Russ Newman, Roy Bledsoe and Estelle Herron to update them on LCSWDC activities including how the Commission is approaching land acquisitions and landfill gas-to-energy discussions.

MOTION: Mr. Waldrop made a motion to adjourn the meeting at 8:35 p.m.. Mr. Akins seconded the motion and it passed unanimously.

The next meeting of the Commission will be September 14, 2010 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 14, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on September 14, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Bill Waldrop, Ted Sitzlar, John Watkins and Aprell Patterson. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Levi Higdon; Gordon Harless; resident Aileen Longmire; and several unidentified residents.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the minutes of August 10, 2010 with one minor correction. (Ms. Dunson was mistakenly referred to as Mr. Dunson.)

MOTION: Mr. Waldrop made a motion to approve the August minutes with the noted correction. Mr. Watkins seconded the motion. The Commission approved the minutes unanimously.

During Items of Public Concern, Ms. Longmire asked why there was no line item expenditure during the month of August for legal services. Mr. Gilbert indicated he was behind on sending out his billing.

Ms. Dunson presented the Cash Activity Report and Santek's Operational Report. During the operational report, she noted the addition of several individual tonnage matrices for Kimberly Clark and Tate & Lyle so the Commission can more closely track waste volumes.

During the Attorney's Report, Mr. Gilbert reported to the Commission that "all systems are on go" for the Commission to determine whether a sole source legal agreement with Santek for the development of the landfill methane gas project was permissible under the applicable bidding requirements. Mr. Gilbert noted for the record that the Commission had engaged Brown & Caldwell to perform a preliminary professional analysis on whether it was practical to bid such a contract in the current market in view of Santek's contractual right of first refusal on any gas lease contract that might be let by the Commission. The results of that preliminary analysis were reported to the Commission in its August meeting and the Commission assigned the additional task to Mr. Waldrop of reviewing the analysis and examining whether the nominal interest in bidding such a contract that was revealed in the report was substantive. Mr. Waldrop then discussed in length his discussions with Steve Batiste concerning the lack of other interested parties as well as Mr. Waldrop's meeting with Santek representatives to determine how Santek intended to design and operate the system and whether a competitive bidding process might be practical under the circumstances. Based on his review of the matter, Mr. Waldrop expressed his concern and resulting conclusion that competitively bidding a landfill methane gas contract for the Matlock Bend Landfill was not practical in view of Santek's favorable contractual rights. He also indicated that a competitive bid process would require additional time and expense with no assurance that any competition for the work would emerge or that the resulting contract would better serve and protect the Commission and the public it serves than a sole source negotiation of the contract, the final terms of which must be approved by the Commission.

MOTION: Mr. Waldrop made a motion that based on the results of Brown & Caldwell's preliminary bidding analysis and his additional review of the same with Brown & Caldwell, Santek and other third parties, the Commission find and declare that competitively bidding a landfill gas-to-energy contract for Matlock Bend Landfill was impractical under the circumstances and that the

Commission be authorized to let such contact by sole source negotiations with Santek in compliance with all other applicable bidding requirements. Mr. Watkins seconded the motion. The motion passed unanimously.

Mr. Gilbert reported that in accordance with the Commission's prior directives, he contacted Brewsters Service Group to obtain a cost estimate for cutting and maintaining the Purdy property. Brewsters' annual estimate was \$6,865, and accordingly Mr. Gilbert only authorized the contractor to do two cutting until the Commission could meet and consider a longer term contract. The Commission discussed the estimate and expressed some concern that the estimate was higher than was expected. On other matters related to the Purdy property, Mr. Gilbert said \$1,770 of sellers' closing funds escrowed at closing for required termite treatment had been returned to Mr. Purdy and his sister as directed by the Commission, and that he had at this time been unable to identify any reasonable insurance coverage for the vacant residential structure on the Purdy property. He noted that Mr. Littleton, an insurance agent with a local insurance agency that had previously advised Loudon County on insurance matters, recommended calling Loudon County and asking if the county could insure the structure with the Tennessee Municipal Risk Pool.

With regards to the rental of the Purdy property, Mr. Harrison said he had several discussions with representatives from Wattenbarger Smith Real Estate and they were not interested in serving as a rental agent for the house. Mr. Harrison said Glen Townsend offered to take care of the Purdy and Matlock properties in return for keeping revenue from the renting the house. Mr. Harrison also suggested contacting local school officials to determine if their agriculture or building arts programs might have an interest in the house. Mr. Harrison said he would follow up on these two options. Mr. Field suggested utilizing Santek to maintain the property. Mr. Gilbert said the Commission should have enough information within the next 30 days on insurance and demolition costs. In the meantime, Ms. Dunson was asked to see if Santek would be interested in maintaining the yard.

Mr. Gilbert informed the Commission he had received an invoice for \$7,015 from the Sullivan & Worcester law firm in Washington DC related to the firm's review and advice on the landfill gas agreement with Santek, which was in accord with the firm's engagement on the project by the Commission.

He also said he spoke with realtor Jay Cobble, who recently met with one of the husbands of the two Atchley daughters who currently own the subject property. Mr. Cobble and the co-owner's husband walked the property and the husband indicated the two daughters may be interested in a land swap for road access. Mr. Gilbert said Mr. Cobble should have a clearer directive from the Atchley property owners by the Commission's next meeting.

Mr. Field reported he recently met with several of the Commission's governmental stakeholders including Doyle Arp, Pat Phillips, Russ Newman, Chuck Jenkins and George Miller. Mr. Field said he provided the officials an update on the Commission's property acquisitions and long-term plans. He said he intends to meet with Roy Bledsoe, Estelle Herron and Gordon Harless September 17th to gain additional feedback on solid waste issues.

Mr. Harrison thanked Mr. Harless and Ms. Dunson for their support of the Fiddlers' Convention. He said 1.5 bags of plastic bottles and aluminum cans were collected throughout the weekend.

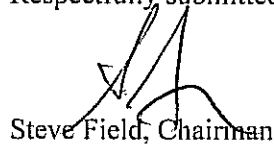
Mr. Harrison also said the time had come in Loudon County to begin widespread recycling efforts and suggested the Commission partner with civic and school athletic groups to institute the

Commission's version of a bottle bill. This would serve as an economic incentive for groups to recycle while increasing public awareness.

MOTION: Mr. Watkins made a motion to adjourn the meeting. Mr. Sitzlar seconded the motion and it passed unanimously.

The next meeting of the Commission will be October 12, 2010 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,

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

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
October 12, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on October 12, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Ted Sitzlar and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Justin Givens; Gordon Harless; residents Aileen Longmire and Pat Hunter; and an unidentified resident.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the minutes of September 14, 2010.

MOTION: Mr. Sitzlar made a motion to approve the September minutes. Mr. Harrison seconded the motion. The Commission approved the motion unanimously.

There were no Items of Public Concern.

Ms. Dunson presented the Cash Activity Report and Santek's Operational Report for the month of September.

During the Attorney's Report, Mr. Gilbert reported to the Commission he had no news on the Atchley property acquisition, although he indicated Realtor Jay Cobble was trying to encourage action because of the expiration of commission's option agreement with Mr. Ryan on November 21, 2010.

Mr. Gilbert said he spoke with a demolition company about removing the Purdy house and was given a quote of \$6,500 to \$7,500 with two thirds of the cost related to transportation and disposal. The demolition representative said he would match any quotes from other companies.

Mr. Gilbert said he talked to Leo Bradshaw with Loudon County who agreed to inquire with the county's insurance company to see if the Purdy property can be added as a rider to the county's policy. Mr. Gilbert also said he spoke with an official with the Tennessee Municipal Risk Pool who declined to provide coverage.

Mr. Harless said the Purdy barn is currently being used to house a cow that was hit by a car. He also said he received significant interest from Loudon County to lease the Purdy property for 4-H purposes. John Goddard with the University of Tennessee has also expressed an interest in using the property for an experimental tree station. Mr. Harless said the property would fall under Loudon County's maintenance responsibilities, but he encouraged the development of an advisory board consisting of representatives from the solid waste commission and the county commission. If the project is approved by Loudon County, Mr. Field suggested working with Santek to develop a master plan for the property. Mr. Harless said he would further explore opportunities with 4-H and would work to get a proposal from Mr. Goddard.

Mr. Harrison said he is still interested in advancing budget neutral recycling efforts with youth and school groups. He said he is still working on ideas in this regard.

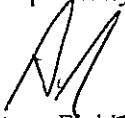
Mr. Sitzlar reported he is in the process of buying a 125-foot wedge of property from the Atchleys that adjoins his property to straighten up the property lines and clean the corner up, which is

overgrown and unsightly. He said he wanted to disclose any potential conflict this could pose since he sits on the commission.

MOTION: Mr. Akins made a motion to adjourn the meeting at 7:20 p.m. Mr. Harrison seconded the motion and it passed unanimously.

The next meeting of the Commission will be November 9, 2010 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'S. Field', written over the printed name below.

Steve Field, Chairman
Loudon County Solid Waste Disposal Commission

Minutes
Loudon County Solid Waste Disposal Commission
November 9, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on November 9, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Bill Waldrop, Ted Sitzlar and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Matt Dillard; Dr. Bob Bachus with GeoSyntec Consultants; residents Aileen Longmire and Pat Hunter; and several unidentified residents.

Mr. Field called the meeting to order.

Mr. Field asked for a motion to approve the minutes of October 12, 2010.

MOTION: Mr. Watkins made a motion to approve the October minutes with one correction. Specifically, Mr. Waldrop did NOT attend the October meeting as incorrectly stated in the minutes. Mr. Atkins seconded the motion. The Commission approved the motion unanimously.

Ms. Longmire elected to wait until Santek presented its operational report to ask questions of the Commission.

Ms. Dunson presented the Cash Activity Report.

During Santek's Operational Report, Ms. Dunson reported the landfill experienced a slope failure in Module G sometime during the evening of November 2nd. Upon discovering the failure, she said Santek officials self-reported the incident to regulators with the Tennessee Department of Environment and Conservation (TDEC), and immediately mobilized extra equipment and personnel to the site. Although waste had slid off the cell liner, Ms. Dunson said there were no injuries and no immediate threat to the environment. Ms. Dunson also notified Mr. Field about the slide as well as the remainder of the Commission via a subsequent email. Representatives with Santek affiliate, Waste Services, received approval from officials in TDEC's Chattanooga Field Office to divert Tate & Lyle sludge to Santek's Bradley County facility at Santek's cost. Following a visit to the site by regulators, TDEC issued a Notice of Non-Compliance on Nov.5th and instructed Santek to hire a third-party engineer to evaluate the slope failure. At Mr. Field's request, Ms. Dunson said Santek agreed to work with Dr. Bachus during this evaluation.

Prior to the meeting, Dr. Bachus met with Santek engineers Rob Burnette and Ron Vail at Santek's corporate office and then they traveled to the site with Mr. Dillard. Mr. Field joined the group at the landfill. A meeting is scheduled with TDEC Knoxville officials on November 10th at 10 a.m. to discuss Santek's remedial action, as well as a future plans to address the landfill's stability.

In evaluating the slope failure, Dr. Bachus said his strategy would be to discover the cause of the slide, which he speculates is due to a combination of sludge and moisture in the fill. He also said he must determine if the slide impacted the landfill's liner system and how the slopes should be rebuilt safely. Finally, he recommends a sludge management program to prevent a re-occurrence of the slide.

Ms. Longmire asked Dr. Bachus to list his credentials and asked about his familiarity with the Matlock Bend Landfill. She also said several neighbors reported hearing a loud sound coming from the landfill the night of the slide, and she asked Dr. Bachus if this would be consistent with a

failure event. He replied, "No." Ms. Hunter asked if the sludge volumes from Tate & Lyle had increased significantly in recent months. Ms. Dunson replied, "No, but it did fluctuate."

Mr. Watkins asked if there had been any recent seismic activity in the geographic region and Mr. Dillard said he knew there had been a small tremor the evening before the slide. Mr. Harrison asked if the fluff from Philip Metals would be beneficial to mix with the sludge. Dr. Bachus said it would augment well with regular waste and sludge.

Mr. Field complimented Santek and Mr. Dillard on their pro-active approach to managing the slope failure, and thanked him for mobilizing the necessary resources to work to contain the problem quickly.

Mr. Harrison suggested a special-called meeting of the Commission to give Commissioners and the public an update on the corrective action taken by Santek and the status of the landfill. The meeting is scheduled for Nov. 23rd at 6:30 p.m. Mr. Field will confirm the location.

During the Attorney's Report, Mr. Gilbert reported he had a signed proposal from Mr. Cobble regarding a proposed land swap between the owners of the Atchley property adjoining the landfill and a portion of the Ryan's property currently under purchase option by the Commission. He said the owners of the Atchley property are also considering purchasing part or all of the remaining portion of the Ryan property. The proposal contains some restrictions including extending a 250-foot buffer to the remaining Atchley property and the planting of hard wood trees in the buffer area. There was some discussion among Commissioners regarding the future intent of the Atchley property owners and their property and whether it was wise not to obtain control of the target property up to the ridge line. Mr. Field will consult with Santek on the matter and work with Mr. Cobble on formulating a revised proposal to the owners of the Atchley property, which if successful will be presented to the Commission for further consideration in the near future.

Mr. Gilbert reminded the Commission the Ryan property option will expire on Nov. 21st.

MOTION: Mr. Harrison made a motion to authorize Mr. Gilbert to seek another six month extension on the Commission's current purchase option on the Ryan property for \$2,500. Mr. Waldrop seconded the motion and it passed unanimously.

Assuming the Ryans are agreeable to the extension, Mr. Gilbert will extend the purchase option by letter to Mr. Ryan and send a \$2,500 check for the option extension payment after providing Mr. Field with a check request letter for the same.

Mr. Gilbert reported he was in receipt of a red-lined copy of the proposed Santek landfill gas agreement from Santek attorney Scott Thomas, but did not receive it until the latter portion of last week. Mr. Field recommended discussing the agreement at the Commission's Nov. 23rd meeting, which will give Mr. Gilbert more time to review the changes.

Mr. Gilbert presented the Commission with a comprehensive insurance quote for liability and property coverage, including the structures located on the Purdy property, which he obtained from the Tennessee Risk Management Trust (TRMT) with the assistance of Leo Bradshaw from Loudon County. For an annual premium of \$3,772, the Commission will receive a variety of coverage which Mr. Gilbert highly recommended.

MOTION: Mr. Watkins made a motion to acquire the insurance coverage from TRMT as quoted and recommended by Mr. Gilbert. Mr. Sitzlar seconded the motion and it passed unanimously.

Mr. Field said Gordon Harless and he talked to Loudon County Mayor Estelle Herron about partnering with the Commission on using the Purdy property for agricultural purposes. Mr. Field said Mayor Herron expressed a lot of interest in the program. More details are needed from agricultural officials. Mr. Harrison also said he was working with Mr. Harless to create a recycling program challenge for the middle schools.

MOTION: Mr. Harrison made a motion requesting Mr. Harless bring a recycling proposal to the Commission's Nov. 23rd meeting. Mr. Waldrop seconded it and the motion passed unanimously.

Due to the number of newly elected officials in the county and the cities, Mr. Harrison suggested Mr. Gilbert review Commissioners' terms and notify the appointing authorities of any impending term expirations. Mr. Gilbert also agreed to look at the Commission's calendar of work for the past and upcoming years.

MOTION: Mr. Waldrop made a motion at 8:25 p.m. to recess the meeting until November 23rd at 6:30 p.m. so the Commission could hear from Dr. Bachus after the completion of his preliminary analysis and the December 10th meeting with TDEC. Mr. Watkins seconded the motion and it passed unanimously.

November 23, 2010

The Loudon County Solid Waste Disposal Commission (Commission) reconvened its meeting of November 9, 2010 on November 23, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Bill Waldrop and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Matt Dillard; Dr. Bob Bachus with GeoSyntec Consultants; residents Aileen Longmire and Pat Hunter; and several unidentified residents.

Mr. Field called the meeting to order.

Mr. Field asked Ms. Longmire to contact him if she had any questions about the Commission's meeting or business. He said he received a call from Brenda in the Loudon County Mayor's office who had been questioned by Ms. Longmire about the status of the Commission's November 23rd meeting. Ms. Longmire said she called to verify if the meeting was still scheduled and questioned Mr. Field about why the meeting notice was not published in the local newspaper. Mr. Gilbert said his office sent a notice to the newspaper, but the Commission can not force the newspaper to publish it unless it purchases a meeting notice ad, which it customarily has not done.

At the request of TDEC and on behalf of the Commission, Dr. Bachus presented a Preliminary Assessment of the Landfill Slope Failure. His presentation consisted of a chronological series of events leading to the failure; a determination of the landfill liner's integrity; and a determination if sludge played a role in the slide.

Dr. Bachus said his preliminary findings indicated:

- Water played a role in the slide
- There was no impact to the landfill's liner
- The characteristics of the slide suggest a "flow" type behavior
- Sludge contributed to the slide
- Excess water contributed to the slope failure

- A stability berm will be required to recapture lost airspace
- A sludge management strategy needs to be developed
- The long-term life of the landfill has likely not been impacted.

Dr. Bachus' recommendations included:

- Continuing with the stability and waste stream analysis
- Developing concepts for a stability berm with Santek
- Monitoring the removal of waste for the berm to assess slip surface and assurances that a slide will not re-occur
- Providing preliminary results and a proposed action plan to TDEC

Several Commissioners questioned Dr. Bachus about the waste streams needed to construct the berm; odor control; the size of the working face; storm water control; and potential impact on a landfill gas system. Dr. Bachus said typical waste streams can be used to construct the berm and odor control should not be a problem in the cold-weather months. He also said Santek will need to cover waste more aggressively to control storm water infiltration and a sludge management program is not indicative of a larger working face but a mixing strategy. Dr. Bachus said a landfill gas system can serve to lower water levels in the landfill and the sludge will help methane gas generation. He concluded his presentation by stating he has not seen anything at the landfill that gives him a great deal of concern.

Ms. Longmire asked Mr. Field again why there was not a public notice of the November 23, 2010 meeting in the newspaper and claimed that the November 9, 2010 meeting was recessed to avoid publicizing it, to which several members of Commission and Attorney Gilbert objected. She also asked Mr. Field about the November 10th meeting with TDEC officials and the meeting's outcome. Mr. Field said TDEC was preparing an order for the Commission with TDEC's expectations. He said the order is expected towards the end of December.

Mr. Longmire asked Mr. Field who was the responsible party of waste streams and who makes the determination waste streams can be disposed of in the landfill. Mr. Gilbert cautioned Mr. Field and members of Commission against answering Ms. Longmire's line of questioning because her questions in some instances were ambiguous, called for legal conclusions and suggested a possible threat of litigation against the commission. Instead, he recommended two courses of action to the Commission if it wished to proceed. Mr. Gilbert said the Commission could convene in Executive Session to discuss potential litigation and obtain his advice on the matter or it might consider asking Ms. Longmire to submit her questions in writing so the answers could be reviewed by legal counsel before being released to assure they were correct. Mr. Gilbert also reminded the commission that it had no legal obligation to answer questions from the public during a public meeting.

Ms. Hunter asked who she should contact regarding notices of the Commission's meeting. Mr. Field said Brenda in the Loudon County Mayor's office maintains a calendar of the meeting room but that the Commission handled the notice of its meetings through Attorney Gilbert's office directly to the News Herald.

Ms. Longmire wanted to know who Dr. Bachus worked for and asked for a copy of his contract. Mr. Field said the Commission sent a letter of engagement to Dr. Bachus and the Commission has not yet received a copy of Dr. Bachus' contract.

Ms. Hunter said she visited TDEC's Knoxville Field Office Nov. 18th and was told that the landfill's liner was being repaired because it was pinched. Mr. Dillard said that was untrue and the liner had not been pinched.

Mr. Gilbert said he had been asked by one of the Commissioners if Santek was responsible for all costs associated with Dr. Bachus' work for the Commission. Mr. Gilbert provided the Commission with copies of several sections of the contract, indicating Santek's responsibility for such costs but invited Ms. Dunson to also review the matter with her company and its legal counsel.

Mr. Gilbert said he is 95% complete with his legal review of the landfill lease. He said he has four minor issues he needed to discuss with Scott Thomas, legal counsel for Santek. He said the Commission could adopt it in substantially the form of that agreement presented and authorize the negotiation of any minor changes needed or defer the matter until its next meeting when he would have an executable copy. Mr. Waldrop recommended waiting until the Commission's next meeting.

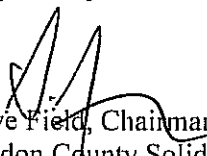
Mr. Watkins thanked Dr. Bachus for his presentation.

MOTION

Mr. Waldrop made a motion to adjourn the meeting at 8:20 p.m. Mr. Atkins seconded the motion and the meeting was adjourned.

The Commission's next regularly scheduled meeting is December 14, 2010 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 14, 2010

The Loudon County Solid Waste Disposal Commission (Commission) met on December 14, 2010 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Robert Harrison, Jim Akins, Bill Waldrop, Ted Sitzlar and John Watkins. Other attendees included Attorney Bud Gilbert; Santek representatives Cheryl Dunson and Levi Higdon; Gordon Harless; residents Aileen Longmire and Pat Hunter; and several unidentified residents.

Mr. Field called the meeting to order at 6:40 p.m.

Mr. Field asked for a motion to approve the minutes of November 9, 2010.

MOTION: Mr. Waldrop made a motion to approve the minutes with one correction. Mr. Harrison seconded the motion. The Commission approved the motion unanimously.

There were no Items of Public Concern.

Ms. Dunson presented the Cash Activity Report and Santek's Operations Report.

During the Attorney's Report, Mr. Gilbert said he had no news about the Atchley property. He said realtor Jay Coble and the property owners will be meeting December 17th to discuss the transaction. Mr. Gilbert said he believes the Atchley property owners have received a mixed message from the Commission regarding how many acres it wants to buy, but Mr. Coble is confident an arrangement can be reached once the owners have a proper understanding on the landfill's future plans.

With regards to the Ryan property, Mr. Gilbert said Mr. Ryan has agreed to extend the property option to May 21, 2011, but is requesting that the Commission close on the first part of the property for which it exercised a partial purchase option by the end of 2010 due to possible tax ramifications. Mr. Gilbert said the Commission is not obligated to close by year end, and it would be unlikely a survey and Phase I assessment of the property could be obtained in that time frame. Mr. Harrison said he was comfortable closing by year end on the subject 12 to 14 acres of the Ryan property for which the Commission had exercised its purchase option, but he was not comfortable going beyond that in connection with a possible Atchley land swap without allowing for community input.

MOTION: After much discussion, Mr. Harrison made a motion to accommodate the Ryans' closing request. Mr. Watkins seconded the motion. The motion passed unanimously.

MOTION: Mr. Waldrop made a motion to authorize Mr. Field and Mr. Gilbert to solicit proposals for the Phase I Assessment and survey on the remaining Ryan property. Mr. Atkins seconded the motion and it passed unanimously.

Mr. Gilbert presented Dr. Bob Bachus' letter of engagement to complete a third-party action plan in response to the landfill slope failure for the Tennessee Department of Environment and Conservation (TDEC). Mr. Gilbert said the letter meets all of his and TDEC's requirements.

MOTION: Mr. Waldrop made a motion to accept the proposal. Mr. Harrison seconded the motion and it passed unanimously.

Mr. Harrison asked if a determination had been made regarding the party responsible for paying Dr. Bachus for his work. Ms. Dunson said Santek is responsible and will pay these expenses.

Mr. Gilbert reported the landfill gas agreement has been revised and is in excellent shape. He recommended the Commission approve it. Mr. Field asked is it would be appropriate to have the Commission's Washington DC consultants review it. Mr. Gilbert said it would delay the agreement even more and probably result in more changes.

MOTION: Mr. Watkins made a motion to accept the landfill gas agreement as recommended by Mr. Gilbert. Mr. Atkins seconded the motion and it passed unanimously.

Mr. Waldrop said he would like the Commission to issue a press release about the landfill gas agreement in the new year.

Mr. Gilbert discussed public notification of the Commission's meeting. He suggested taking out an ad in the News Herald at the beginning of year, announcing all of the Commission's meeting. He also suggested posting official notification of the meetings on the Loudon County bulletin board as well as on the county's web site.


MOTION: Mr. Waldrop made a motion to publish a paid advertisement in the News Herald at the first of the year announcing all of the Commission's meetings along with monthly notices to the newspaper and notices on the county's web site. Mr. Waldrop's motion also included posting executed copies of the Commission's meeting minutes on the county web site. Mr. Atkins seconded the motion and it passed unanimously.

Mr. Harless reported he had met with the state agricultural review team to discuss the use of the Purdy house and property. He said he needed to pursue discussions with University of Tennessee officials as well as with representatives from the state forestry division. Mr. Harless said the potential exists to secure federal funding related to forestry uses. Mr. Waldrop asked if there was any discussion about using the house. Mr. Harless replied there could be some use for recordkeeping and home economics. Mr. Harrison asked Mr. Harless has researched using the house for experimental solid waste purposes. He said he had not because of state permit issues.

MOTION: Mr. Waldrop made a motion to adjourn the meeting at 8 p.m. Mr. Watkins seconded the motion and it passed unanimously.

The Commission's next regularly scheduled meeting is January 11, 2011 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,



Steve Field, Chairman

Loudon County Solid Waste Disposal Commission