

Minutes
Loudon County Solid Waste Disposal Commission
August 13, 2013

The Loudon County Solid Waste Disposal Commission (Commission) met on August 13, 2013 at 6:30 p.m. at the Loudon County Courthouse Annex. The Commission was represented by Steve Field, Bill Waldrop, John Watkins, Robert Harrison, Brian Jenkins and Larry Jameson. Other attendees included Attorney Kevin Stevens; Santek representatives Cheryl Dunson and Levi Higdon; Loudon County Commissioner Sharon Yarborough; Kurt Sichelstiel with Brown and Caldwell; Waste Connections representatives Doug McGill and Steve Lafollette; Pat Hunter; Ailene Longmire; Jerry Hughes; and several other unidentified citizens.

Mr. Field called the meeting to order at 6:30 p.m. and introduced Mr. Jameson, the newest member of the Commission.

MOTION: Mr. Watkins made a proposed revision to the minutes of July 9, 2013 to correct a spelling error. Mr. Waldrop made a motion to approve the minutes as corrected. Mr. Jenkins seconded the motion and the minutes were approved unanimously.

During Items of Public Concern, Ms. Hunter asked Mr. Field what he intended to discuss under agenda item "Chairman's Report." She also asked about the total number of active cells at the Matlock Bend Landfill and the number of cells Santek intends to close. Mr. Field said Santek and LCSWDC representatives continue to discuss closure/post-closure issues and nothing had been determined. Ms. Hunter asked Mr. Field how many landfill customers receive a discounted tipping fee and the amounts of those fees. Mr. Harrison responded that certain components of that information are proprietary to Santek.

Mr. McGill said he wanted to address the Commission about recycling opportunities and landfill operations at a later time during the meeting.

Mr. Hughes asked Mr. Field if he had obtained any more information about the cows that died on Mr. Hughes' leased property in 2010. Mr. Field said he obtained the necropsy report. Mr. Hughes indicated he was having trouble getting information from the Loudon County Mayor's office. Mr. Field encouraged him to contact Brenda in the mayor's office. Mr. Hughes asked Mr. Field if he had photos of the dead cows. Mr. Field said he understood the photos were presented at the most recent Loudon County Commission meeting, but he didn't have copies. He again encouraged Mr. Hughes to contact Brenda in the mayor's office and ask for the photos as a matter of public information.

Ms. Longmire asked commissioners to use their microphones. She also asked if GeoSyntec had completed the landfill evaluation report. Mr. Field said the report is complete, but an issue regarding payment of fees must be resolved.

Ms. Longmire asked if any representatives from Santek, the Commission or Loudon County filed a report with the Tennessee Department of Environment and Conservation (TDEC) about the dead cows on Mr. Hughes property. Mr. Field said no. He said the investigation was conducted by the Loudon County Sheriff's Department, the Tennessee Emergency Management Agency and the Department of Agriculture. Ms. Longmire asked if any representatives from Santek, the Commission or Loudon County filed a report with TDEC regarding former Commissioner Ted Sitzlar's concerns about run off from the landfill. Mr. Field said no.

Ms. Longmire asked Mr. Field for the total number of landfill acres once the major permit modification is secured. Ms. Dunson said she would get the information for Ms. Longmire and call her in the morning. Ms. Longmire also asked Mr. Field how the modification would impact the landfill's methane gas permit.

Ms. Dunson presented the July Cash Activity Report and the Landfill Operations Report.

During the Attorney's Report, Mr. Stevens reported that he and Mr. Waldrop met with Mayor Herron and Loudon County Trustee, Chip Miller, on July 23rd to discuss the investment of the Commission's host and security fees. He said the meeting was productive and county officials were in agreement to consider investing funds on a longer term basis because of the long-term liability associated with closure/post-closure care. Mr. Stevens said the process is ongoing, and the county will also explore new investment opportunities with the state comptroller's office. Mr. Harrison said he learned several weeks ago that the fee the Commission pays the trustee is put into the county's general fund. Mr. Watkins questioned the formula to determine the trustee's fee. Mr. Waldrop said the problem isn't the formula, but rather the lack of investment earning during the past six years.

Mr. Stevens reported that he and Mr. Field had a preliminary meeting with Santek representatives Eddie Caylor and Ms. Dunson on August 12th to discuss a long-term solution to the deficit in the closure/post-closure fund. He said Mr. Field made a presentation to Santek regarding the financial and environmental benefits of closing certain portions of the landfill during the existing contract term. Mr. Stevens said Santek was receptive to further discussions, and will get back to the Commission with more information and a proposal.

Mr. Sichelstiel presented the Commission with a \$5,000 proposal from Brown and Caldwell for consulting services for facilitating and conducting a solid waste management workshop. The intent of the proposal is consider site utilization alternatives that could generate additional revenue for the Commission. Mr. Sichelstiel said he would develop a questionnaire to support a three-to-four-hour workshop with four to six panel members representing different constituent groups. Mr. Field said he was concerned with the timing of the workshop, given the Commission's discussions with Santek related to the closure/post-closure deficit. Mr. Waldrop said he would like to see the title of the study changed because it was too limited to alternative waste concepts. He said the Commission had purchased additional property that could be used to generate revenue like solar panels. Mr. Waldrop also said the proposal inaccurately states the landfill's closure date. Mr. Harrison said he would like to see the timeline change to September-October.

MOTION: Mr. Waldrop made a motion to accept the proposal with his proposed changes and Mr. Harrison's timeline. Mr. Watkins seconded the motion and it passed unanimously.

Mr. Field reported that he was working with GeoSyntec representatives to determine a reasonable price for the extra work performed by GeoSyntec during the landfill evaluation. He said he anticipates approaching the Commission at next month's meeting with a suggested price.

Since the last Commission meeting, Mr. Field said he worked with Gordon Harless and representatives from the Loudon County Sheriff's Department and other agencies to compile the different reports related to the Hughes' investigation. A copy of the reports is included in the Commission's meeting packets.

Mr. McGill asked to address the Commission. He said he was very interested in working with Loudon County on a drop-off recycling center or curbside collection program. Mr. Field asked Mr. McGill about the cost per household of providing such a program. Mr. McGill responded it would depend on the number of participants.

Mr. McGill also said he heard there were problems at the landfill. More specifically, Mr. McGill said he understood the Commission was having problems with its closure/post-closure accruals. He asked the Commission if this was true. Chairman Field said there was a deficit in the account, but the Commission was working to correct it.

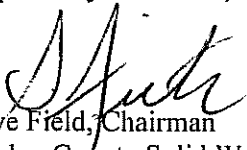
McGill said Waste Connections manages 50 landfills and 150 transfer stations across the country, and was very familiar with closure and post-closure accruals. He told the Commission it needed at least \$1 million per year to satisfy post-closure requirements.

He said he had some ideas on how Waste Connections could generate more revenue for the Commission. He said he understood the Commission had a contract with Santek to manage the landfill, but if the Commission was willing to issue a Request For Proposals (RFP) for landfill services, he could guarantee a revenue stream to the Commission of between \$500,000 to \$1 million per year. He also said there may be some language in the Santek agreement that would allow the Commission to terminate the agreement. He said there were a multitude of ways Waste Connections could generate revenue for LCSWDC, but it would need to issue an RFP.

MOTION: Mr. Harrison made a motion to adjourn the meeting at 8:25 p.m. Mr. Waldrop seconded the motion and it passed unanimously.

The Commission's next regularly scheduled meeting is September 10, 2013 at 6:30 p.m. at the Courthouse Annex.

Respectfully submitted,



Steve Field, Chairman

Loudon County Solid Waste Disposal Commission