

AGENDA

LOUDON COUNTY SOLID WASTE DISPOSAL COMMISSION

January 13, 2015

6:30 p.m.

LOUDON COUNTY COURTHOUSE ANNEX

Loudon, Tennessee

1. Call to Order
2. Approval of Minutes – December 9, 2014
3. Items of Public Concern
4. Cash Activity Report
5. Operations Report
6. Final Landfill Elevation Discussion
7. Stakeholder meeting
8. Attorney's Report
9. Chairman's Report
10. Other Items of Commission's Consideration
11. Adjourn

Loudon County Department of Accounts and Budgets
Solid Waste Disposal Fund 207
Monthly Cash Report
December 2014

November 2014 Combined Ending Cash Balance per Monthly Report		2,904,547.17
Adjustments:		
November Trustee Commission	0.00	
	0.00	
Total Adjustments		0.00
Adjusted Nov 2014 Combined Ending Balance per Loudon Co Trustee		2,904,547.17

Solid Waste Disposal Commission Operating Fund

Operating Fund Ending Balance November 2014		2,513,588.50
Cash Receipts:		
Surcharge - Host Fees (Oct & Nov 2014)	21,304.00	
Surcharge - Security Fees (Oct & Nov 2014)	20,337.30	
Investment Income	209.20	
Total Monthly Revenue		41,850.50
Cash Disbursements:		
Board & Committee Members Fees	(250.00)	
Contracts with Private Agencies (Santek)	0.00	
Engineering Services (Santek)	0.00	
Contributions (Loudon Utilities - Quarterly)	(3,750.00)	
Legal Services	(2,702.90)	
Other Contracted Services (Mowing)	(200.00)	
Trustee's Commission	(417.37)	
Total Cash Disbursements		(7,320.27)
Expenditure Credit:		
Trustee Commission Adjustment		0.00
<u>Operating Fund Ending Balance December 2014</u>		<u>2,548,118.73</u>

Poplar Springs Subfund

Poplar Springs Subfund Balance November 2014		390,958.67
Cash Receipts:		
Total Monthly Revenue	0.00	0.00
Cash Disbursements:		
Legal Services	(19.00)	
Legal Services Repayment to Operating Fund	0.00	
Total Cash Disbursements		(19.00)
<u>Poplar Springs Subfund Balance December 2014</u>		<u>390,939.67</u>

<u>TOTAL COMBINED OPERATING AND POPLAR SPRINGS DEC 2014 BALANCE</u>		<u>2,939,058.40</u>
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Combined Summary - December 2014		
Beginning Balance		2,904,547.17
Plus Operating Revenue		41,850.50
Less Operating and Poplar Springs Disbursements		(7,339.27)
TOTAL COMBINED BALANCE - DECEMBER 2014		<u>2,939,058.40</u>

Loudon County Solid Waste Disposal Commission Assessment of Landfill Height and Site Life

Geosyntec Consultants
13 January 2015

Assessment of Landfill Height and Site Life

13 January 2015

- Present information regarding visual impact of varying the maximum landfill height
- Discuss impact of maximum landfill height on disposal capacity
- Provide a case history for a previous site that faced similar concerns regarding landfill height
- Update LCSWDC on projected site life with and without the proposed expansion

Visual Impact of Varying Maximum Landfill Height

- Using grades from files provided by Santek, develop 3D surface of final cover system in AutoCAD
 - Current (20 September 2013) – adjust to el 1070
 - Permitted – el 1108 ($\Delta H = 38$ feet)
 - Expansion – el 1125 ($\Delta H = 55$ feet)
- Superimpose final cover grades in Google Earth and view from the entrance of Monterey Mushroom and Main Entrance to Matlock Bend Landfill

Assessment of Landfill Height and Site Life

13 January 2015

Bottom Surface	Top Surface	Top Deck Elevation (ft)	Total Acreage (acres)	Calculated Volume (cy)	"Permitted" Total Volume (cy)	Remaining Volume (cy)
Original	Current	1065.5	40.7	2,580,804	4,748,110	n/a
Current	Permitted	1108	40.7	2,167,306	4,748,110	2,167,306
Permitted	Permit - 38	1070	40.7	101,411	4,748,110	2,065,895
Current	Proposed	1125	67.3	8,227,096	10,807,900	8,227,096
Current	Propose - 55	1070	67.3	6,902,580	9,483,384	6,902,580
Current	Propose -1,2,3	1117	67.3	3,936,205	10,807,900	3,936,205

Santek Report Surfaces	Volume (cy)
Current Permitted	4,748,110
Proposed Expansion	10,807,900

Contract Date	1-Jul-2007
20 years	30-Jun-2027
22 years	30-Jun-2029
Aerial Date	20-Sep-2013

**Remaining Volume
as Function of Final Elevation**

Module Delineations for Currently Permitted Landfill

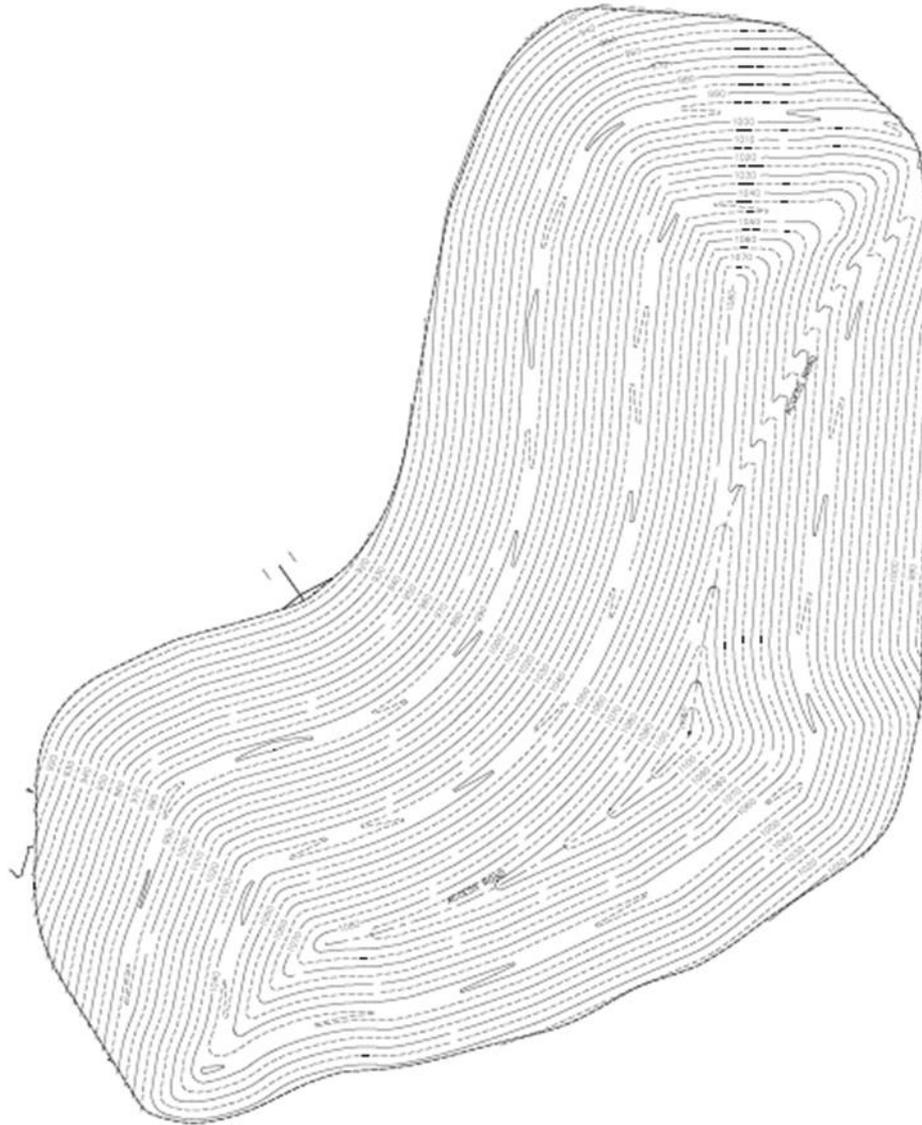


Current Permitted Landfill

- Area = 40.7 acres
- Height = el 1108
- ΔH (current) = 38 feet

Isopach of September 2103 grades to permitted volume

Final Cover Grades for Currently Permitted Landfill

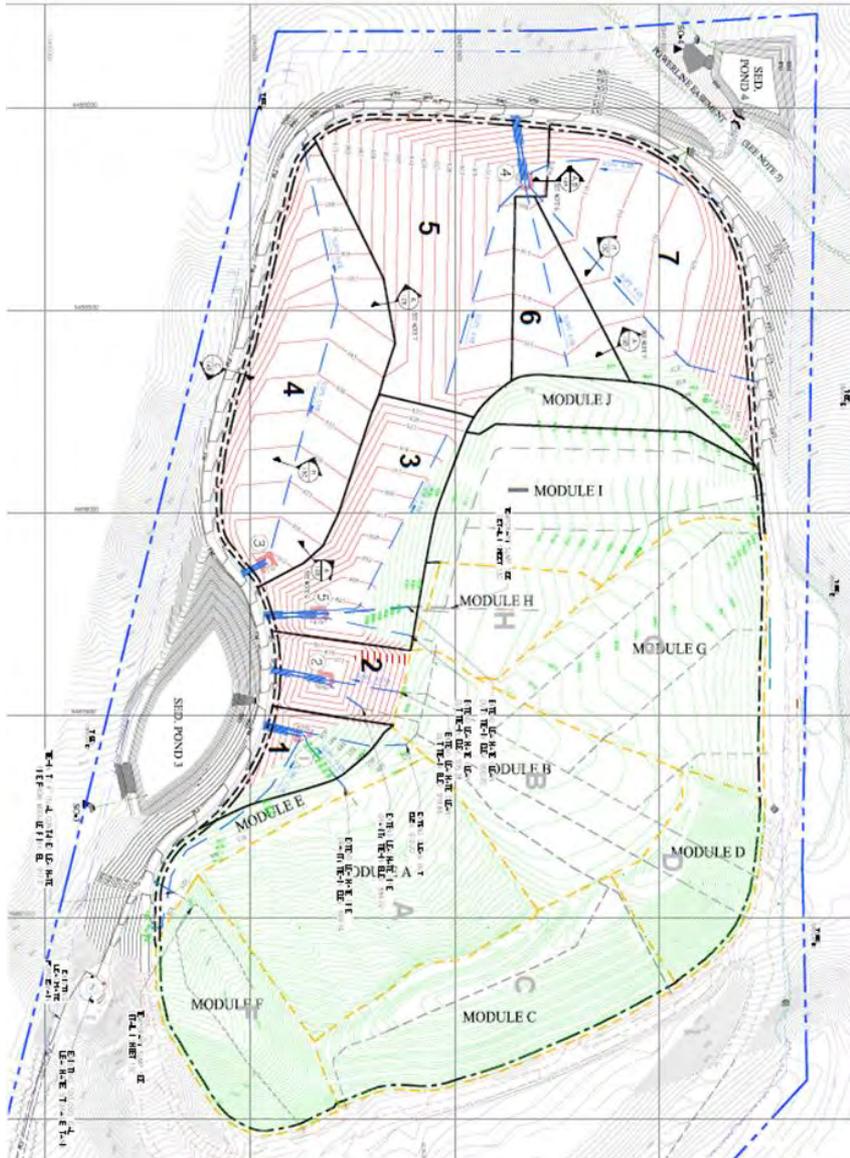


Current Permitted Landfill

- Area = 40.7 acres
- Height = el 1108
- ΔH (current) = 38 feet

Volume Remaining from September 2103 grades = 2,167,306 cy

Module Delineations for Proposed Expansion



Expanded Landfill

- Area = 67.3 acres
- Height = el 1125
- ΔH (current) = 55 feet

Final Cover Grades for Proposed Expansion

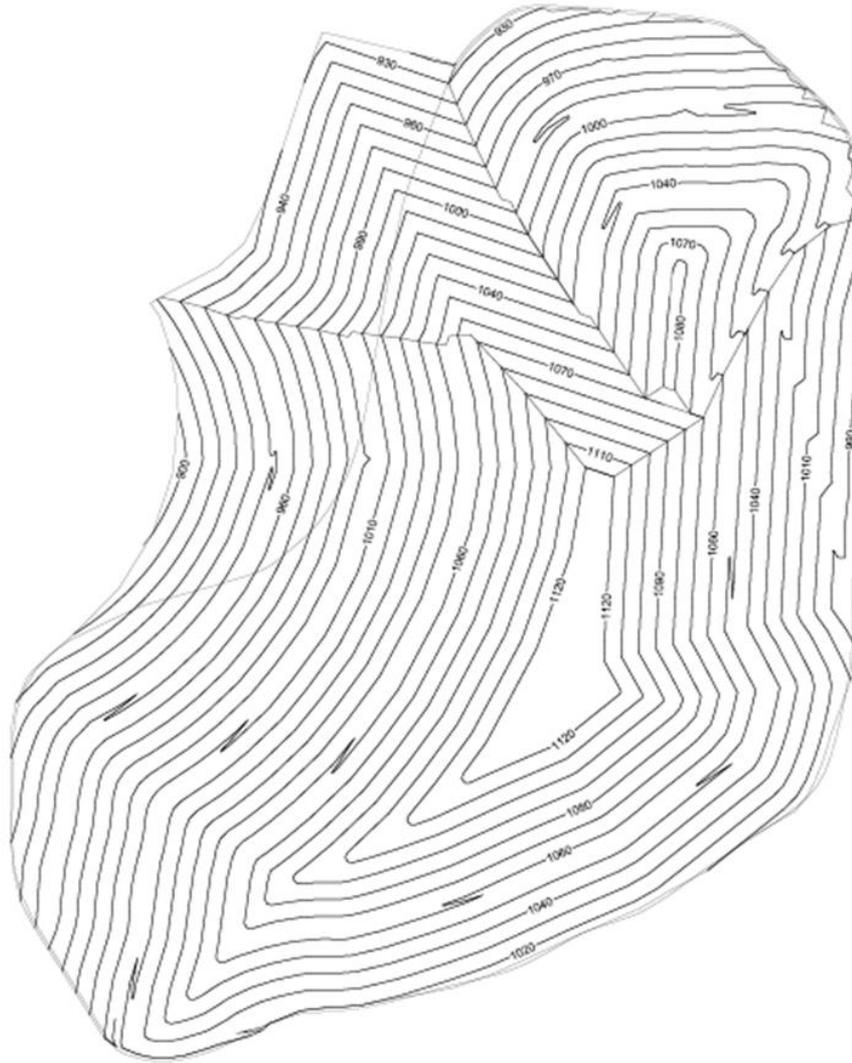


Expanded Landfill

- Area = 67.3 acres
- Height = el 1125
- ΔH (current) = 55 feet

Volume Remaining from September 2103 grades = 8,227,096 cy

Final Cover Grades for Projected Life of Contract



Projected Expanded Landfill

- Area \approx 51.3 acres
- Height = el 1120
- ΔH (current) = 50 feet

This concept to be discussed subsequently

Volume Remaining from September 2103 grades = 3,936,205 cy

Visual Impact of Varying Maximum Landfill Height

- Using grades from files provided by Santek, develop 3D surface of final cover system in AutoCAD
 - Current (20 September 2013) – adjust to el 1070
 - *Permitted* – el 1070 ($\Delta H = 0$ feet)
 - Permitted – el 1108 ($\Delta H = 38$ feet)
 - Expansion – el 1125 ($\Delta H = 55$ feet)
- Superimpose in Google Earth and view from the entrance of Monterey Mushroom and Main Entrance to Matlock Bend Landfill

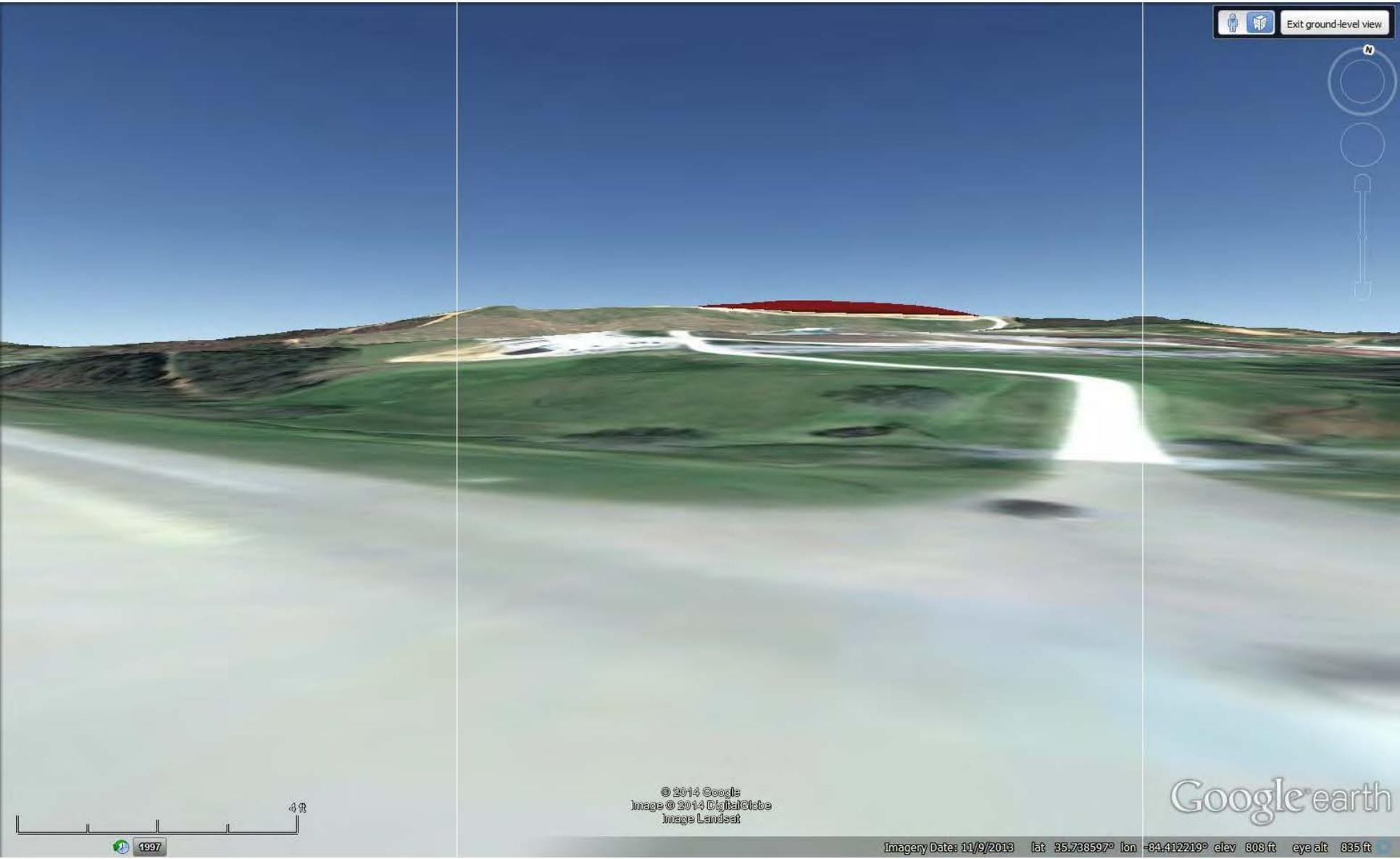
Monterey Mushroom Entrance - Google Map Street View

“Current” Conditions (el. 1065.5)



(Photo taken Summer, 2013)

September 2013 Grades (approximate el 1065.5)



Exit ground-level view

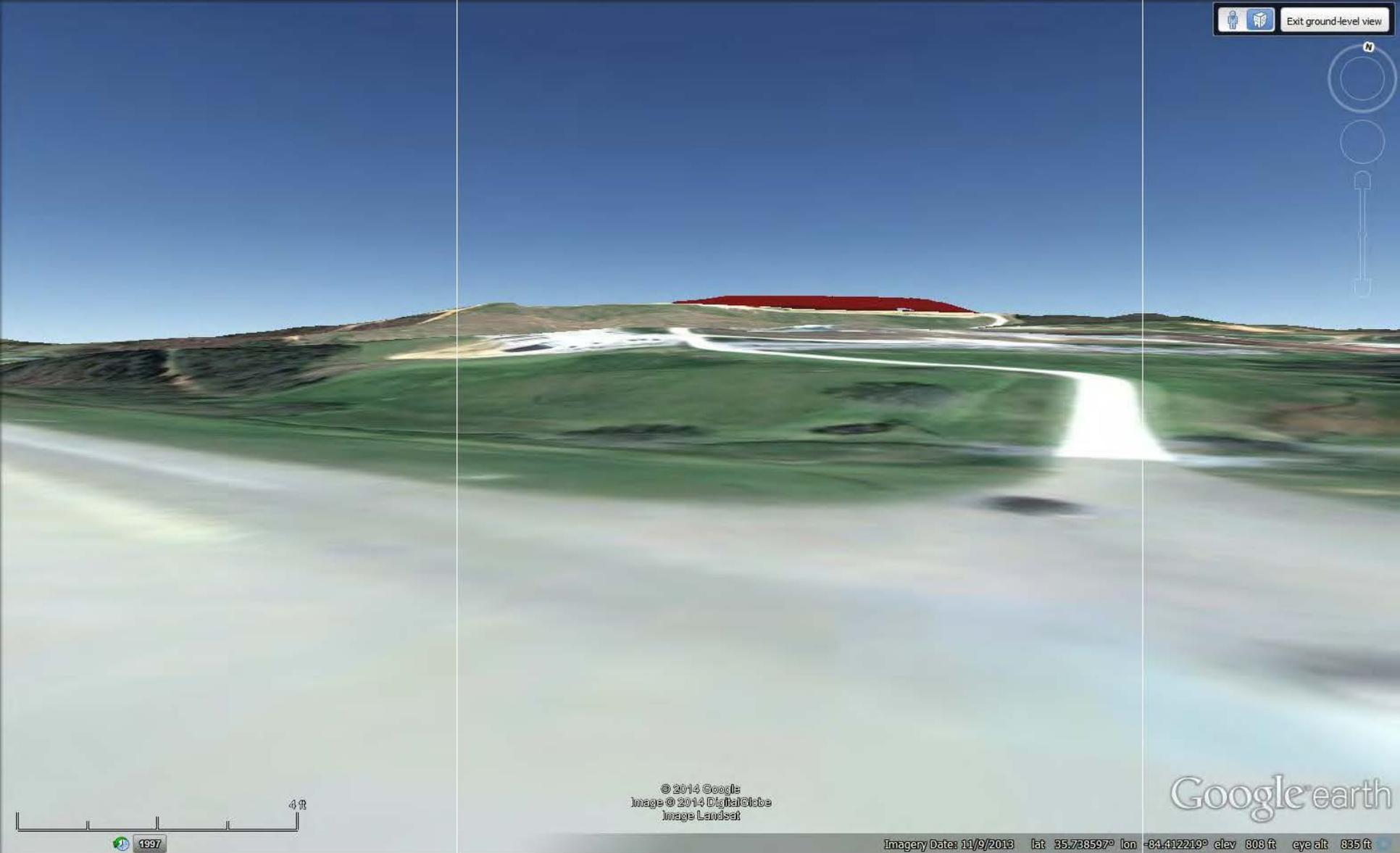


© 2014 Google
Image © 2014 DigitalGlobe
Image Landsat

Google earth

Imagery Date: 11/9/2013 lat 35.738597° lon -84.412219° elev 808 ft eye alt 835 ft

Permitted footprint capped at el 1070



Exit ground-level view



© 2014 Google
Image © 2014 DigitalGlobe
Image Landsat

Google earth

Imagery Date: 11/9/2013 lat 35.738597° lon -84.412219° elev 808 ft eye alt 835 ft

Loudon County Solid Waste Disposal Commission Stakeholder Workshop

Presented to:

**Lenoir City, Loudon City, and
Loudon County Government Officials**

Presented by:

Loudon County Solid Waste Disposal Commission

21 January 2015

What Is The Loudon County Solid Waste Disposal Commission (LCSWDC)?

- **Origin:** Government agency created under the Interlocal Cooperation Act on March 1, 1993 by agreement of Loudon County, Lenoir City, and Loudon City
- **Purpose:** Created to comply with new requirements of the Solid Waste Management Act of 1991 and to amend the parties' previous solid waste disposal agreement dated September 12, 1983

What Is The LCSWDC (cont'd)

- **Structure:** Seven-member commission appointed for six-year terms:
 - 5 members appointed by Loudon County Mayor, approved by Loudon County Commission
 - 1 member appointed by Lenoir City Mayor, approved by Lenoir City Council
 - 1 member appointed by Loudon City Mayor, approved by Loudon City Council

Who Are The LCSWDC Members?

- | | |
|---|------------------------------|
| 1. Steve Field, Chairman (Geologist) | Loudon County Representative |
| 2. Robert Harrison (Real Estate Developer) | Loudon City Representative |
| 3. Kelly Littleton-Brewster (Loudon County Schools) | Loudon County Representative |
| 4. Art Stewart (Engineer) | Lenoir City Representative |
| 5. Larry Jameson (Trucking Industry) | Loudon County Representative |
| 6. Tom Paul (Engineer) | Loudon County Representative |
| 7. John Watkins (Engineer) | Loudon County Representative |

Advisors:

- | | |
|---|------------------------|
| • Kevin C. Stevens
Kennerly, Montgomery & Finley, P.C. | General Counsel |
| • Dr. Robert Bachus
GeoSyntec Consultants | Solid Waste Consultant |

What Is The LCSWDC

- **Assets:** Maintains capital assets, including the landfill real estate and accrual accounts, which are under jurisdiction of the commission
- **Character:** Required to operate as a governmental entity (e.g. open meetings and records, procurement requirements, annual audits, etc.)
- **Duration:** Continues until three governments agree to end. Any government may withdraw by forfeiting its rights to its share of any remaining assets.

What are LCSWDC's Responsibilities?

- Oversight and management of Matlock Bend Landfill
- Working with operator to ensure Landfill regulatory compliance
- Working with operator to set tipping fees and charges
- Periodic review and study of the solid waste disposal problems/needs in Loudon County and recommendation to the participating governments
- Accruing reserves for closure and post-closure expenses
- All state mandated planning functions (as a "Municipal Solid Waste Region Board") required under the Solid Waste Management Act of 1991

Matlock Bend Landfill Operations

- Modern Subtitle-D Landfill permitted to accept municipal solid waste located on Highway 72 approximately 1 mile north of I-75
 - Current permitted footprint: 40 acres
 - Total contiguous land: 247 acres
 - Total permit expansion request (pending with TDEC): 67 acres
- Currently placing waste in Cell H of 10 permitted cells. Anticipated current cell life of 2 years (at 550 tons/day), anticipated permitted site life of 10 years (at current disposal volumes), and anticipated site life with permit expansion of 40 years (at current disposal volumes)

Matlock Bend Landfill

Top Ten Customers 10/2013 thru 10/2014

	CUSTOMER	TOTAL (tons)	AVERAGE (tons/month)
1	KIMBERLY CLARK	75,836	6,320
2	TATE & LYLE	42,876	3,573
3	PSC METALS INC	23,304	1,942
4	TENNESSEE TRASH SERVICE	22,974	1,915
5	WASTE MANAGEMENT	6,257	521
6	WASTE SERVICES OF TN	5,855	488
7	LOUDON COUNTY CONV. CENTER	5,287	441
8	CITY OF LOUDON	4,379	365
9	ROANE COUNTY CONV. CENTER	4,051	338
10	LENOIR CITY	3,752	313
	APPROXIMATELY 95%	194,571	16,214
	FACILITY TOTAL	204,448	17,037

Potential Options Presented at 2004 Stakeholder Workshop

- Continued Disposal at Matlock Bend Landfill
 - Option A (Outside Operator) - Retain independent operator under new contract with LCSWDC (i.e., similar to current arrangement)
 - Option B (Governmental Operator) - Develop operations capabilities with one of the government stakeholders
- Contract Waste Disposal to Other Local Facilities
 - Option C (Direct Haul) - Temporarily or permanently close Matlock Bend Landfill and secure private market-driven long-term contract
 - Option D (Transfer Station) - Contract for development and operation of a transfer station at Matlock Bend Landfill (and dispose waste at private facility)
- Utilize Portion of Matlock Bend Landfill for Construction and Demolition Debris (C&D) Facility

2004 Stakeholder Survey

1. I am attending tonight's meeting as a	All Respondents	17					
	Loudon County Commissioner	6					
	Lenoir City Council Member	4					
	Loudon City Council Member	1					
	Other Elected Official	1					
	Other Governmental Representative	5					
2. Tonight's meeting was helpful in understanding the future options and challenges facing the LCSWDC?			AS	A	U	D	DS
	All Respondents	9	7	1			
	Loudon County Commissioner	5	1				
	Lenoir City Council Member		3	1			
	Loudon City Council Member		1				
	Other Elected Official	1					
3. The LCSWDC should make the best decision possible for the community based on its research without seeking the concurrence of the elected representatives of the Loudon County Commission, Lenoir City Council or the Loudon City Council?			AS	A	U	D	DS
	All Respondents	1	6	2	4	4	
	Loudon County Commissioner		2	1	1	2	
	Lenoir City Council Member		3	1			
	Loudon City Council Member						1
	Other Elected Official						1
4. The Matlock Bend Landfill should only be used for Loudon County waste, even if it requires higher tipping fees or additional appropriations from Loudon County, Lenoir City and Loudon City.			AS	A	U	D	DS
	All Respondents				2	12	3
	Loudon County Commissioner				1	4	1
	Lenoir City Council Member				1	3	
	Loudon City Council Member					1	
	Other Elected Official					1	
Other Governmental Representative					3	2	

2004 Stakeholder Survey (Cont.)

		AS	A	U	D	DS
5. The LCSWDC should strive to continue the operations of the Matlock Bend Landfill as an important community resource even if in doing so may not be the best economic choice for our community in the immediate future?	All Respondents	1	4	2	10	
	Loudon County Commissioner		2		4	
	Lenoir City Council Member		2	1	1	
	Loudon City Council Member				1	
	Other Elected Official				1	
	Other Governmental Representative	1		1	3	
6. If the Matlock Bend Landfill cannot be operated on a cost supporting basis without increasing the daily tonnage or reducing operational costs, it should be closed (temporarily or permanently) and converted into a transfer station.	All Respondents	6	8	2	1	
	Loudon County Commissioner	3	2		1	
	Lenoir City Council Member	1	2	1		
	Loudon City Council Member			1		
	Other Elected Official	1				
	Other Governmental Representative	1	3		1	
7. Assuming that the LCSWDC temporarily closed the Matlock Bend Landfill for ten years and replaced it with a transfer station during that time, it would be politically possible to reopen the landfill operations after ten years of closure if the economics supported resuming the landfill operations at that location.	All Respondents	7	3	6	1	
	Loudon County Commissioner	2	2	2		
	Lenoir City Council Member	1	1	2		
	Loudon City Council Member	1				
	Other Elected Official	1				
	Other Governmental Representative	2			2	1
8. The LCSWDC should substantially reduce each government's current landfill tipping fees by allowing the landfill operator to take in increased out-of-county waste (but from no more than 100 miles away).	All Respondents	1	11	3	1	1
	Loudon County Commissioner		3	3		
	Lenoir City Council Member	1	3			
	Loudon City Council Member		1			
	Other Elected Official				1	
	Other Governmental Representative	4				1

2004 Stakeholder Survey (Cont.)

		AS	A	U	D	DS
9. The LCSWDC should put more emphasis on decreasing our local government solid waste disposal costs (for example, by reducing our current tipping fees) over the short term (next ten years) as opposed to focusing on our solid waste disposal needs over the long term (10 to 20 years).	All Respondents	1	6	3	5	2
	Loudon County Commissioner		3	1	1	
	Lenoir City Council Member	1	2		2	
	Loudon City Council Member			1		
	Other Elected Official			1		
	Other Governmental Representative		1		2	2
		AS	A	U	D	DS
10. I am pleased with the way the LCSWDC is discharging its responsibilities and approaching its future challenges.	All Respondents	8	6	1	1	
	Loudon County Commissioner	3	2			
	Lenoir City Council Member	1	1	1	1	
	Loudon City Council Member		1			
	Other Elected Official		1			
	Other Governmental Representative	4	1			

2004 Stakeholder Survey (Cont.)

11. Based on what I have learned tonight and my personal knowledge and opinion on this issue, I prefer that the LCSWDC take the following action (RANK First, Second and Third choice):

_____ Option A (Outside Operator) – Continue with an independent operator to keep the landfill open but negotiate a longer term contract that decreases our tipping fees and adequately provides for future closure costs.

_____ Option B (Governmental Operator) – Explore whether one of the participating governments can operate and maintain the landfill more economically than the current arrangement and enter a contractual arrangement.

_____ Option C (Direct Haul) – Temporarily or permanently close the landfill and negotiate a long term contract to transfer our solid waste out of county at lower costs to the participating governmental entities.

_____ Option D (Transfer Station) – Contract for the construction and operation of a transfer station at the Matlock Bend landfill and negotiate a transportation contract at some cost reduction to the participating governments.

_____ Make the best decision possible for our community balancing our short-term and long-term solid waste disposal needs.

_____ Undecided.

	A	B	C	D	WD	U
11. Based on what I have learned tonight and my personal knowledge and opinion on this issue, I prefer that the LCSWDC take the following action (RANK First, Second and Third choice) [Ranked as follows – 1st = 3 points; 2nd = 2 points; 3rd = 1 point]						
All Respondents	24	20	8	19	16	
Loudon County Commissioner	9	9	5	8	4	
Lenoir City Council Member	7	2	1	3	4	
Loudon City Council Member	3	1		2		
Other Elected Official		3	2	1		
Other Governmental Representative	5	5		5	8	

2004 Stakeholder Survey (Cont.)

Comments or suggestions:

Comment No. 1 (Loudon County Commissioner). Thanks for the work you are doing. Great pre-planning, excellent meeting. Informative

Comment No. 2 (Loudon County Commissioner). Good program and presenters. Thank you!

Comment No. 3 (Loudon County Commissioner). Today: Landfills are in surplus; tipping fees are low. Future: Based on experience, landfill capacities will be short & tipping fees will be very high. Thus, my answer to Question 10: shut down when fees low/restart when fees are high. Would like to know cost of mothballing and temporary closure. Also would like to see economics (cash flows, costs, etc.) for the most promising options.

Comment No. 4 (Lenoir City Council Member). Landfill tipping fees must be lowered by 10-20% at the very least, by some method and soon.

Comment No. 5 (Loudon City Council Member). I am opposed to hauling our trash out of county if we can save money and save our space for future operations. However, I would want to look at the viability of each option.

Comment No. 6 (Other elected official). If a transfer station is initiated perhaps we would also want a C&D cell left there.

Comment No. 7 (Other government representative). Keep government units informed as you progress – not seeking the concurrence of the government bodies.

Comment No. 8 (Other government representative). Consider long range Class IV needs in light of expected construction in the county.

Comment No. 9 (Other government representative). Need rate reduction for the taxpayer. However, we should look for longevity in our site. I am disappointed in the cost of our contract with the current operator.

LCSWDC 2007 Requests for Proposals

-LCSWDC consulted with solid waste consultant, CTAS, and legal counsel in preparing Requests for Proposals.

Alternative 1:

-Perform on a turn key basis for LCSWDC all activities associated with the daily operation and maintenance of the Matlock Bend Landfill for a term of 20 years.

Alternative 2:

-Design, construct, operate and maintain on behalf of LCSWDC a transfer station at the Matlock Bend Landfill and provide all transportation services for disposal at permitted sites for a term of 20 years.

2007 Meetings with Industry Vendors

- Meetings initiated by LCSWDC with potential industry vendors to discuss the RFP Alternatives including:
 - Santek Environmental
 - Waste Connections
 - Waste Management
 - Republic Services
- Open discussion with industry vendors to discuss the RFP Alternatives and the range of future development and operational strategies available to LCSWDC.

2007 RFP Response

RFP Response:

-LCSWDC only received one response to the RFP, which was submitted by Santek Environmental.

-Santek Environmental selected Alternative 1 to perform on a turn key basis for LCSWDC all activities associated with the daily operation and maintenance of the Matlock Bend Landfill for a term of 20 years.

2007 Landfill Operation Agreement

- Santek Environmental executed 2007 Operation Agreement to serve as Matlock Bend Landfill operator.
- 2007 Operation Agreement key terms:
 - Contract duration of 20 years
 - Santek to provide all labor and equipment necessary for daily operation and maintenance of Landfill
 - Santek to provide post-closure care of closed portions of Landfill
 - Santek to pay LCSWDC host fees of 3.75% of tipping fees to cover ongoing operational expenses of LCSWDC
 - Santek to pay LCSWDC security fees of the greater of \$1.00 per ton or 5% of tipping fees to cover future closure and post-closure care expenses

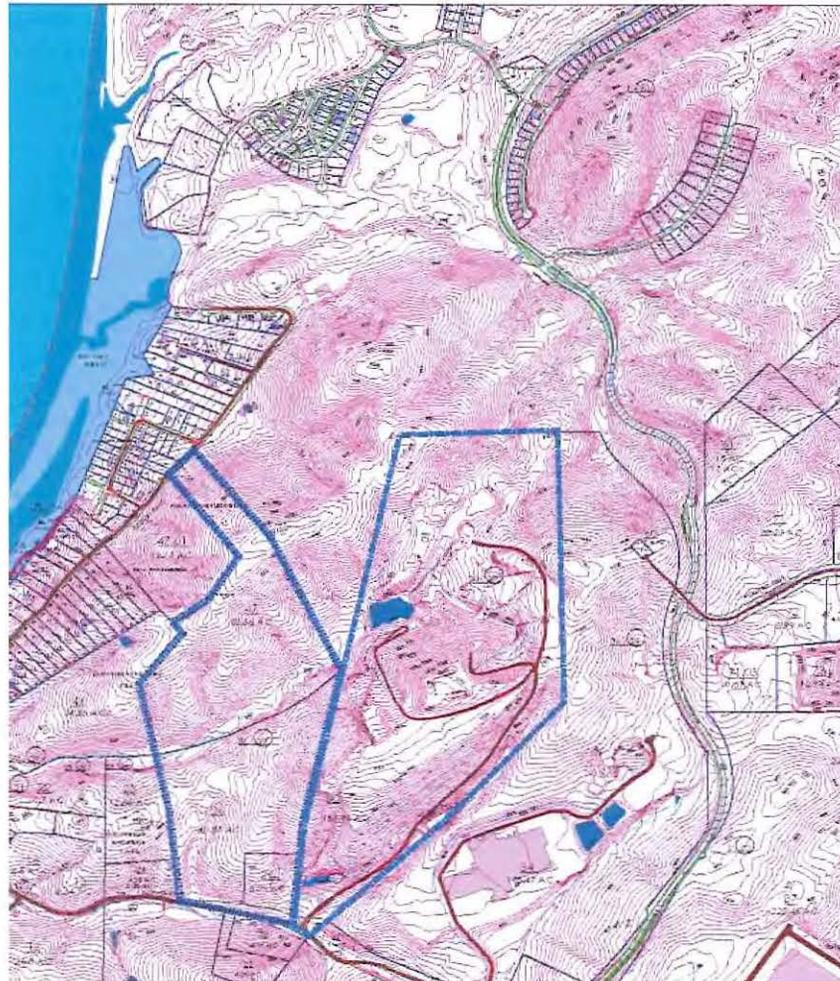
Major Permit Modification

- Major permit modification request submitted by Santek to TDEC in August of 2009
- Permit modification seeks to expand active landfill footprint to 67 acres
- Permit modification is expected to provide site life through 2054
- Permit modification request remains pending with TDEC

LCSWDC Land Acquisitions

- Original Landfill Tract
 - 150.85 acres acquired April 15, 1994
- Matlock Tract
 - 40.87 acres acquired July 6, 2010
- Purdy Tract
 - 5.26 acres acquired July 30, 2010
- Ryan Tract
 - 58.40 acres acquired September 20, 2011
- Atchley Tract
 - 13.31 acres exchanged for 21.37 acres
February 15, 2013

Expanded LCSWDC Landfill Property



2013 Geosyntec Landfill Analysis

- Geosyntec Consultants completed comprehensive financial and compliance review at the request of LCSWDC
- Compliance Review:
 - Found Landfill operation to be well maintained and in compliance with TDEC regulations
 - Made suggestions for stormwater and sediment controls
- Financial Review:
 - Anticipated shortfall in revenue to cover closure and post-closure expenses (caused in part by lower than anticipated tipping fees and failure of accrued funds to keep up with the projected rate of inflation)
 - Projected security fee shortfall of \$2.86 per ton (without expansion) and \$1.32 per ton (with expansion) to cover closure and post-closure expenses

December 31, 2014

Loudon County Trustee Chip Miller
101 Mulberry Street, Suite 203
Loudon, Tennessee 37774

Re: Loudon County Solid Waste Disposal Commission

Dear Trustee Miller:

As you know, this law firm serves as general counsel to the Loudon County Solid Waste Disposal Commission (“LCSWDC”), and in that capacity has been requested by LCSWDC to write to you regarding the fee that is currently being deducted by the Trustee’s office from LCSWDC’s monthly deposits. Specifically, LCSWDC has asked this law firm to investigate the statutory basis for the Trustee’s fee and to determine whether this fee is being appropriately deducted on the monthly deposits by the operator of the Matlock Bend Landfill (the “Landfill”), Santek Environmental, Inc. (“Santek”), into LCSWDC’s designated account held by the Trustee’s office.

It is my understanding that the Trustee’s office is currently deducting a one percent (1%) fee on all of Santek’s monthly deposits into LCSWDC’s designated account, which contain the funds received from the operation of the Landfill. Tennessee Code Annotated Section 8-11-110(e) sets forth the relevant standard for compensation of the Trustee as follows:

“(e) The trustee shall receive one percent (1%) on all moneys collected from county officers on fees and on the school fund received from the state or on money turned over to the trustee by clerks of the courts and other collecting officers.”

None of these three enumerated instances appear to apply to the funds generated from the operation of the Landfill that are deposited by Santek into LCSWDC’s designated account held by the Trustee’s office. Thus, it does not appear that the Trustee is entitled to deduct a one percent (1%) fee from LCSWDC’s monthly deposits.

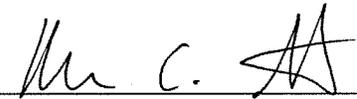
This opinion is supported by the language of Tennessee Code Annotated Section 8-21-101 which provides that “no county officer is allowed to demand or receive fees or other compensation that is not expressly authorized by law.” There does not appear to be any express authorization in Tennessee Code Annotated Section 8-11-110(e) (or any other Tennessee Code Section) which specifically entitles the Trustee to deduct a one percent (1%) fee from Santek’s monthly deposits into LCSWDC’s designated account.

For some historical perspective, I am informed that the Trustee's office originally began deducting a one percent (1%) fee from deposits containing funds from the operation of the Landfill when Loudon County became the fiscal agent. It appears that the Trustee's office never altered this policy once Santek took over operations of the Landfill and began handling deposits of funds from the operation of the Landfill on behalf of LCSWDC. However, now that Santek is operating the Landfill and transferring certain funds from the operation of the Landfill into LCSWDC's designated account, it would appear that the Trustee's current policy of deducting a one percent (1%) fee from LCSWDC's deposits should be adjusted to comport with the standards set forth in Tennessee Code Annotated Section 8-11-110(e).

I would welcome any input from the Trustee's office or the State Comptroller on this issue. To the extent that this issue requires further analysis, we can certainly request a formal opinion from the Tennessee Attorney General in the future. In the interim, please do not hesitate to contact me if you have any questions or would like to discuss this issue in more detail. Thank you for your consideration.

Sincerely,

KENNERLY, MONTGOMERY & FINLEY, P.C.

By  _____
Kevin C. Stevens

cc: Chairman Steve Field and Commission Members

KRAMER RAYSON LLP

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JOHN E. WINTERS
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January 8, 2015

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Re: Loudon County Solid Waste Disposal Commission

Dear Kevin:

On December 31, 2014, you wrote Loudon County Trustee, Chip Miller, about the one percent (1%) fee that his office currently collects on monthly deposits from the Loudon County Solid Waste Disposal Commission ("LCSWDC"). Your letter states that the LCSWDC believes that "The Trustee's current policy of deducting a one percent fee (1%) from [its deposits]" should be changed, and it implies the fee should be eliminated.

It is my opinion, and the opinion of the Trustee's office, that the fee is appropriate under Tenn. Code Ann. § 8-11-110(e). This statute provides that "[t]he trustee shall receive one percent (1%) on all monies collected from county officers on fees . . . or on money turned over to the trustee by clerks of the courts **and other collecting officers.**" (emphasis added.) The Tennessee Attorney General and the Tennessee Supreme Court have opined that the term "other collecting officers" includes any public entity that transmits funds to a County Trustee. Tenn. Op. Att'y Gen. No. 11-46, 2011 Tenn. AG LEXIS 48 (May 19, 2011); *State v. Miner*, 138 S.W.2d 766, 769 (Tenn. 1940).

The LCSWDC is obligated to remit its tipping fees to the Trustee pursuant to Tenn. Code Ann. § 68-211-835. Accordingly, Mr. Miller is legally obligated to charge the one percent (1%) fee. Indeed, it appears that the LCSWDC could be charged a higher fee under state law. Tenn. Code § 8-11-110(a) allows "the county trustee [a fee ranging from 2% to 6%] for receiving and paying over to the rightful authorities all monies received" by his or her office. Based on the

Kevin Stevens, Esq.

January 8, 2015

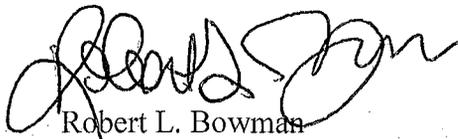
Page 2

foregoing, Mr. Miller's office is lawfully collecting the one percent (1%) fee on deposits made by the LCSWDC. Such deposit fees are mandated by state law. Mr. Miller cannot waive them for the benefit of LCSWDC.

If you have any questions concerning the foregoing opinion or wish to discuss it in more detail, please do not hesitate to contact me.

Very truly yours,

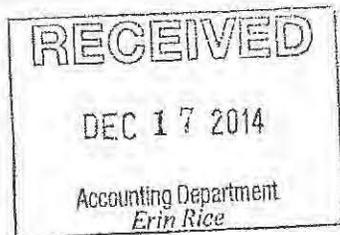
Kramer Rayson LLP

A handwritten signature in black ink, appearing to read "Robert L. Bowman", is written over the typed name.

Robert L. Bowman

RLB:ec

cc: Chip Miller, Trustee
Buddy Bradshaw, Mayor



COPY

State of Tennessee
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
KNOXVILLE ENVIRONMENTAL FIELD OFFICE
3711 MIDDLEBROOK PIKE
KNOXVILLE, TENNESSEE 37921-6538

December 11, 2014

Mr. David Hollinshead
Santek Waste Services
650 25th Street, N.W., Suite 100
Cleveland, TN 37311

RE: Use of Kimberly-Clark Residual Fiber Derivative as Alternative Daily Cover at the Loudon County Matlock Bend Landfill SNL 53-0203

Dear Mr. Hollinshead:

The Division received your request to use paper waste as alternative daily cover. **This request cannot be approved.** The site in question underwent a waste slope failure and the use of short fiber paper waste as an alternative cover is not approved at this time. The site can request the use of tarps such that municipal solid waste from one day is in intimate contact with the previous day's waste. There would, however, need to be a periodic soil cover to act as a fire wall.

Data presented to TDEC in the May 17th 2011 letter *Assessment of Paper Waste By-product Material from Kimberly-Clark* notes that while the waste now comes in relatively dry (~ 52% moisture) it has the ability to absorb upwards of 71%. The letter and current request did not include shear strength data. The Division believes it is very important for liquids from overlying wastes or rain infiltrating the fill to easily percolate down without hindrance to the leachate collection system. The layering of short fiber wastes without thorough mixing or its acceptance in total quantity that dominates the fill could hinder the necessary migration of liquids down and subsequently out of the cell. Too much overall or too thick in any application could cause wet zones which would be weaker. Stability would need to be shown without the benefit of underlying buttress prior to the Division approving the use at this site. It will not be considered inside the re-entry area.

If you have any questions, please do not hesitate to contact me at (865) 594-5474.

Sincerely,

Paula Plont
Environmental Consultant
Division of Solid Waste Management

Ryan Miller
Environmental Manager
Division of Solid Waste Management

**Monthly Operations Report
Matlock Bend Landfill
January 13, 2015
Presented by:
Santek Environmental, Inc.**



650 25th Street, N.W., Suite 100
Cleveland, Tennessee 37311
(423) 303-7101

Email: mail@santekenviro.com
Internet: www.santekenviro.com

- I. OPERATIONS**
 - A. Tonnage Report
 - B. Customer Report
 - C. Inspection
 - D. Materials Classification Report
 - E. Tire Report
 - F. Wheel Wash

- II. REMAINING AIRSPACE UTILIZATION SCHEDULE**

- III. HOST & SECURITY FEES**

**LANDFILL TONNAGE VOLUME
MONTH ENDING -
December 2014**

MATLOCK BEND LANDFILL

MONTH	2013	2014	2013 TO 2014
JANUARY	21,183.26	18,181.51	(3,001.75)
FEBRUARY	18,784.45	18,827.30	42.85
MARCH	21,164.32	19,821.19	(1,343.13)
APRIL	23,808.40	21,488.87	(2,319.53)
MAY	24,577.63	19,160.50	(5,417.13)
JUNE	21,643.84	15,228.14	(6,415.70)
JULY	21,471.10	18,079.82	(3,391.28)
AUGUST	21,439.01	13,382.53	(8,056.48)
SEPTEMBER	19,616.80	12,101.59	(7,515.21)
OCTOBER	21,230.51	11,006.89	(10,223.62)
NOVEMBER	17,453.70	9,330.41	(8,123.29)
DECEMBER	19,296.85	12,004.71	(7,292.14)
TOTAL	251,669.87	188,613.46	(63,056.41)

**DAILY AVG FOR ANY
RUNNING 30 DAY
PERIOD 378.23**

CITY OF LOUDON

MONTH	2013	2014	2013 TO 2014
JANUARY	361.29	326.75	(34.54)
FEBRUARY	303.30	322.26	18.96
MARCH	348.14	355.95	7.81
APRIL	427.14	380.93	(46.21)
MAY	429.42	383.29	(46.13)
JUNE	367.47	402.25	34.78
JULY	427.04	392.38	(34.66)
AUGUST	407.20	380.25	(26.95)
SEPTEMBER	362.06	367.90	5.84
OCTOBER	363.07	366.56	3.49
NOVEMBER	324.58	284.12	(40.46)
DECEMBER	375.95	376.46	0.51
TOTAL	4,496.66	4,339.10	(157.56)

LOUDON COUNTY

MONTH	2013	2014	2013 TO 2014
JANUARY	453.60	413.74	(39.86)
FEBRUARY	384.82	391.37	6.55
MARCH	436.97	444.91	7.94
APRIL	479.58	436.44	(43.14)
MAY	474.49	463.42	(11.07)
JUNE	452.76	451.76	(1.00)
JULY	513.37	484.61	(28.76)
AUGUST	457.80	471.18	13.38
SEPTEMBER	430.59	445.68	15.09
OCTOBER	438.17	445.15	6.98
NOVEMBER	377.62	404.80	27.18
DECEMBER	469.63	493.59	23.96
TOTAL	5,369.40	5,346.65	(22.75)

LENOIR CITY

MONTH	2013	2014	2013 TO 2014
JANUARY	297.14	255.87	(41.27)
FEBRUARY	261.57	256.28	(5.29)
MARCH	270.08	307.30	37.22
APRIL	355.37	380.93	25.56
MAY	332.94	363.48	30.54
JUNE	295.24	333.05	37.81
JULY	369.49	387.51	18.02
AUGUST	344.97	298.25	(46.72)
SEPTEMBER	304.62	319.37	14.75
OCTOBER	312.80	329.79	16.99
NOVEMBER	247.76	239.43	(8.33)
DECEMBER	313.25	319.16	5.91
TOTAL	3,705.23	3,790.42	85.19

WASTE SERVICES OF TN

MONTH	2013	2014	2013 TO 2014
JANUARY	4,596.48	5,007.47	410.99
FEBRUARY	5,069.18	4,363.83	(705.35)
MARCH	4,998.69	4,318.51	(680.18)
APRIL	5,925.28	4,920.17	(1,005.11)
MAY	5,132.10	4,482.69	(649.41)
JUNE	5,270.28	4,005.97	(1,264.31)
JULY	5,162.47	5,301.42	138.95
AUGUST	4,710.10	2,860.52	(1,849.58)
SEPTEMBER	4,812.63	2,032.03	(2,780.60)
OCTOBER	5,182.25	1,874.48	(3,307.77)
NOVEMBER	4,185.97	1,725.65	(2,460.32)
DECEMBER	4,912.65	2,149.69	(2,762.96)
TOTAL	59,958.08	43,042.43	(16,915.65)

TENNESSEE TRASH

MONTH	2013	2014	2013 TO 2014
JANUARY	1,525.76	1,509.64	(16.12)
FEBRUARY	1,358.88	1,560.54	201.66
MARCH	1,520.34	1,778.92	258.58
APRIL	1,821.18	2,067.49	246.31
MAY	1,860.16	2,020.17	160.01
JUNE	1,683.06	2,012.92	329.86
JULY	1,890.47	2,237.90	347.43
AUGUST	1,781.76	2,005.41	223.65
SEPTEMBER	1,621.55	2,033.83	412.28
OCTOBER	1,853.33	2,168.74	315.41
NOVEMBER	1,733.05	1,871.73	138.68
DECEMBER	1,845.57	2,424.33	578.76
TOTAL	20,495.11	23,691.62	3,196.51

**LANDFILL TONNAGE VOLUME
MONTH ENDING -
December 2014**

KIMBERLY CLARK - PAPER WASTE

MONTH	2013	2014	2013 TO 2014
JANUARY	6,856.77	7,846.43	989.66
FEBRUARY	5,851.74	7,663.61	1,811.87
MARCH	7,687.65	8,275.51	587.86
APRIL	7,018.70	8,218.88	1,200.18
MAY	8,293.00	6,458.22	(1,834.78)
JUNE	7,282.70	3,128.27	(4,154.43)
JULY	8,313.08	3,273.42	(5,039.66)
AUGUST	8,570.34	2,986.85	(5,583.49)
SEPTEMBER	7,741.02	3,058.67	(4,682.35)
OCTOBER	7,915.96	2,667.78	(5,248.18)
NOVEMBER	7,665.86	2,603.95	(5,061.91)
DECEMBER	7,948.40	1,560.11	(6,388.29)
TOTAL	91,145.22	57,741.70	(33,403.52)

TATE & LYLE - SLUDGE

MONTH	2013	2014	2013 TO 2014
JANUARY	2,186.05	2,088.33	(97.72)
FEBRUARY	2,377.30	2,387.03	9.73
MARCH	2,382.90	2,292.99	(89.91)
APRIL	2,766.65	2,601.69	(164.96)
MAY	1,879.97	2,050.17	170.20
JUNE	2,381.90	1,700.20	(681.70)
JULY	1,999.93	1,986.88	(13.05)
AUGUST	1,734.07	703.19	(1,030.88)
SEPTEMBER	2,159.64	0.00	(2,159.64)
OCTOBER	2,048.70	0.00	(2,048.70)
NOVEMBER	2,048.01	0.00	(2,048.01)
DECEMBER	2,318.42	0.00	(2,318.42)
TOTAL	26,283.54	15,810.48	(10,473.06)

PSC METALS INC

MONTH	2013	2014	2013 TO 2014
JANUARY	5,100.02	1,136.94	(3,963.08)
FEBRUARY	3,992.14	1,834.26	(2,157.88)
MARCH	3,842.74	2,139.46	(1,703.28)
APRIL	5,550.21	2,915.74	(2,634.47)
MAY	5,413.60	2,571.44	(2,842.16)
JUNE	4,102.91	2,708.47	(1,394.44)
JULY	2,640.75	3,239.67	598.92
AUGUST	2,757.78	2,024.07	(733.71)
SEPTEMBER	2,447.58	1,467.66	(979.92)
OCTOBER	2,889.73	417.11	(2,472.62)
NOVEMBER	1,287.67	123.75	(1,163.92)
DECEMBER	1,561.54	1,920.28	358.74
TOTAL	41,586.67	22,498.85	(19,087.82)

TATE & LYLE - ASH

MONTH	2013	2014	2013 TO 2014
JANUARY	771.87	933.76	161.89
FEBRUARY	884.91	567.17	(317.74)
MARCH	943.56	90.20	(853.36)
APRIL	1,235.12	218.21	(1,016.91)
MAY	1,205.39	356.37	(849.02)
JUNE	1,166.92	237.06	(929.86)
JULY	1,291.32	240.14	(1,051.18)
AUGUST	1,180.93	18.73	(1,162.20)
SEPTEMBER	1,080.97	0.00	(1,080.97)
OCTOBER	838.34	0.00	(838.34)
NOVEMBER	559.14	0.00	(559.14)
DECEMBER	768.28	0.00	(768.28)
TOTAL	11,926.75	2,661.64	(9,265.11)



**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF SOLID WASTE MANAGEMENT
SOLID WASTE DISPOSAL FACILITY EVALUATION**

NAME OF SITE <i>Matlock Bend</i>		REGISTRATION NUMBER <i>SNL 53 000 0203</i>		DATE <i>12-18-14</i>	
LOCATION (physical) <i>Coulton</i>			PURPOSE <input checked="" type="checkbox"/> Complete <input type="checkbox"/> Follow-up <input type="checkbox"/> Complaint <input type="checkbox"/> Other		
OWNER/OPERATOR <i>SanteK</i>			TYPE OF FACILITY <input checked="" type="checkbox"/> CLASS I <input type="checkbox"/> CLASS II <input type="checkbox"/> CLASS III <input type="checkbox"/> CLASS IV		
		V1	V2		
Inadequate vector control	8010	___	___	Leachate improperly managed	8330
Access not limited to operating hours	8020	___	___	Inadequate leachate collection system	8340
Inadequate artificial or natural barrier	8030	___	___	Leachate observed at the site	8350
Inadequate information signs	8040	___	___	Leachate entering runoff	8360
Unsatisfactory access road(s)/parking area(s)	8050	___	___	Leachate entering a water course	8370
Certified personnel not present during operating hours	8060	___	___	Inadequate gas migration control system	8380
Unapproved salvaging of waste	8070	___	___	Inadequate maintenance of gas migration control system	8390
Evidence of open burning	8080	___	___	Potential for explosions or uncontrolled fires	8420
Inadequate fire protection	8090	___	___	Waste not confined to a manageable area	8430
Unsatisfactory litter control	8110	___	___	Improper spreading of waste	8440
Inadequate employee facilities	8120	___	___	Improper compacting of waste	8450
No communication devices	8130	___	___	Unsatisfactory initial cover	8460
Inadequate operating equipment	8140	___	___	Unsatisfactory intermediate cover	8470
Unavailability of backup equipment	8150	___	___	Unsatisfactory final cover	8480
Unavailability of cover material	8160	___	___	Excessive pooling of water	8490
Inadequate maintenance of runoff/runoff system(s)	8170	___	___	Unsatisfactory stabilization of cover	8510
Inadequate erosion control	8180	___	___	Dumping of waste into water	8520
Inadequate dust control	8190	___	___	Unsatisfactory records or reports	8530
Unauthorized waste accepted	8210	___	___	Groundwater monitoring system improperly maintained	8540
Unapproved special waste accepted	8220	___	___	Operation does not correspond with engineering plans	8570
Tires improperly handled	8230	___	___	Operation does not correspond with permit condition(s)	8580
Medical waste improperly handled	8240	___	___	Permit, plans, operating manual not available	8590
Dead animals improperly handled	8250	___	___	No operating scales	8610
Washout of solid waste	8270	___	___		
No permanent benchmark	8280	___	___		
Inadequate random inspection program	8290	___	___		
Mishandling of special waste	8300	___	___		
Buffer zone standard violated	8310	___	___		
Inadequate maintenance of leachate management system	8320	___	___		
COMMENTS:					
<i>Some garbage being picked up.</i>					
<i>Grass growing well. Rills fixed.</i>					
<i>No violations</i>					
PERSON INTERVIEWED <i>[Signature]</i>			INSPECTED BY <i>[Signature]</i>		
TITLE <i>SITE MANAGER</i>			TITLE <i>ENV. SCIENTIST II</i>		
TIME OF DAY <i>3:15</i>	WEATHER CONDITIONS <i>cloudy 40</i>		COMPLIANCE DATE <i>12-18-14</i>		

Distribution: Facility - White Field Office - Canary Central Office - XC

Materials Classification Report
Matlock Bend Landfill
Monthly Tonnage Summary December 2014

Material	Tonnage	2011 Sludge %		2012 Sludge %	
MSW		January	xx	January	6%
		February	xx	February	8%
MSW	<u>7,979</u>	March	16%	March	8%
Special Waste		April	12%	April	9%
		May	13%	May	8%
Other	3,551	June	12%	June	8%
		July	11%	July	11%
Ash	177	August	8%	August	10%
		September	6%	September	10%
Sludge	<u>297</u>	October	6%	October	12%
Total Special Waste		November	6%	November	10%
		December	7%	December	10%
Total MSW & SW					
		2013 Sludge %		2014 Sludge %	
Tires	33	January	11%	January	12%
		February	13%	February	13%
Total Material	<u><u>12,037</u></u>	March	12%	March	12%
		April	12%	April	13%
% MSW	<u>66%</u>	May	10%	May	12%
		June	13%	June	12%
% Special Waste	<u>34%</u>	July	11%	July	12%
		August	9%	August	6%
% Sludge	<u>2%</u>	September	12%	September	1%
		October	10%	October	3%
		November	12%	November	4%
		December	13%	December	2%

**2014-2015 Matlock Bend
Landfill Tire Report**

Month	Tonnage
Jul-14	51.84
Aug-14	14.23
Sep-14	33.99
Oct-14	39.8
Nov-14	69.61
Dec-14	21.27
Jan-15	
Feb-15	
Mar-15	
Apr-15	
May-15	
Jun-15	
Total (tons)	230.74

Matlock Bend Landfill - Module H 2015 Airspace Projection / Construction Schedule

DATE	REMAINING AIRSPACE ¹ (CY)	MONTHLY TONNAGE	ACTUAL / PROJECTED ²	UTILIZATION FACTOR	MONTHLY VOLUME CONSUMED (CY)	ENDING MONTHLY REMAINING AIRSPACE (CY)
		10,781		0.99		
Sept. 18, 2014	382,853	-	-	-	-	-
Sept. 19-30, 2014	-	4,478	A	0.99	4,433	378,420
October	-	11,007	A	0.99	10,897	367,523
November	-	9,330	A	0.99	9,237	358,286
December	-	12,005	A	0.99	11,885	346,402
January '15	-	10,781	P	0.99	10,673	335,729
February	-	10,781	P	0.99	10,673	325,056
March	-	10,781	P	0.99	10,673	314,383
April	-	10,781	P	0.99	10,673	303,710
May	-	10,781	P	0.99	10,673	293,037
June	-	10,781	P	0.99	10,673	282,364
July	-	10,781	P	0.99	10,673	271,692
August	-	10,781	P	0.99	10,673	261,019
September	-	10,781	P	0.99	10,673	250,346
October	-	10,781	P	0.99	10,673	239,673
November	-	10,781	P	0.99	10,673	229,000
December	-	10,781	P	0.99	10,673	218,327

¹ = Remaining airspace based on Sept. 18, 2014 aerial survey.

Full Date

September-2017

² = Projected tonnages are based on a 3 month average per Matt Dillard on 6-2-09.

³ = Utilization rate based on the annual utilization rate per October 27, 2008 construction meeting (Avg. Utilization = 1.28 cy/ton)

Tonnage for Past 3 Months

October	11,007
November	9,330
December	12,005
Average	10,781

cc: Matt
Rob
Cheryl
Ron
Chris
Levi
Jason

SANTEK



650 25th Street NW, Ste 100
Cleveland, TN 37311

Phone: (423) 303-7101
Toll Free: (800) 467-9160
www.santekenviro.com

January 12, 2015

Loudon County Solid Waste Disposal Commission
100 River Road
P.O. Box 351
Loudon, TN 37774

Dear Steve:

Pursuant to Section 10.6 and 10.7 of the Sanitary Landfill Operation Agreement between Loudon and Santek as of July 1, 2007, Santek agreed to pay the Commission a host fee and security fee as defined in the Agreement. The following recap reflects the calculation for the period December 1, 2014 to December 31, 2014:

Host Fees (Greater of below) –	
Total Tip Fees Billed	\$221,781.64
Host Fee Percentage	4.00%
	<u>\$ 8,871.27</u>
Minimum Fee	<u>\$ 10,652.00</u>

Security Fees (Greater of below) –	
Total Tonnage Received	12,004.71
Rate per ton	\$ 1.00
Total	<u>\$ 12,004.71</u>

Total Tip Fees Billed	\$221,781.64
Security Fee Percentage	5.00%
	<u>\$ 11,089.08</u>

Our checks in payment of the above fees have been remitted to the above address for the Commission. Should you have any questions or need additional information, please let me know.

Sincerely,

Andrew Kandy
Regional Controller