

**AGENDA**  
**LOUDON COUNTY SOLID WASTE DISPOSAL COMMISSION**  
**August 11, 2015**  
**6:30 p.m.**  
**LOUDON COUNTY COURTHOUSE ANNEX**  
**Loudon, Tennessee**

1. Opening of Meeting, Pledge of Allegiance, Invocation
2. Approval of Minutes – July14, 2015
3. Items of Public Concern
4. Cash Activity Report
5. Operations Report
6. LCSWDC September 2015 meeting conflict
7. Operating Agreement Proposed Modifications
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**  
**July 2015**

June 2015 Combined Ending Cash Balance per Monthly Report		3,034,030.08
Adjustments:		
	0.00	
	0.00	
Total Adjustments		0.00
<b>Adjusted June 2015 Combined Ending Balance per Loudon Co Trustee</b>		<b>3,034,030.08</b>

**Solid Waste Disposal Commission Operating Fund**

<b>Operating Fund Ending Balance June 2015</b>		<b>2,654,363.41</b>
Cash Receipts:		
Trustee's Collections - Prior Year	0.01	
Surcharge - Host Fees (June 2015)	10,983.93	
Surcharge - Security Fees (June 2015)	16,695.74	
Investment Income	1,114.87	
Total Monthly Revenue		28,794.55
Cash Disbursements:		
Board & Committee Members Fees	(350.00)	
Audit Services (Mitchell Emert & Hill)	0.00	
Contracts with Private Agencies (Santek)	0.00	
Engineering Services (Santek)	0.00	
Contributions (Loudon Utilities - Quarterly)	0.00	
Legal Services	(5,159.00)	
Legal Notices	(159.00)	
Other Contracted Services (Mowing)	0.00	
Building & Content Insurance	(4,746.00)	
In-Service/Staff Development (Refund)	0.00	
Trustee's Commission	(282.44)	
Total Cash Disbursements		(10,696.44)
Expenditure Credit:		
Trustee Commission Adjustment		0.00
<b><u>Operating Fund Ending Balance July 2015</u></b>		<b>2,672,461.52</b>

**Poplar Springs Subfund**

<b>Poplar Springs Subfund Balance June 2015</b>		<b>379,666.67</b>
Cash Receipts:		
	0.00	
Total Monthly Revenue		0.00
Cash Disbursements:		
Legal Services	0.00	
Legal Services Repayment to Operating Fund	0.00	
Total Cash Disbursements		0.00
<b><u>Poplar Springs Subfund Balance July 2015</u></b>		<b>379,666.67</b>

**TOTAL COMBINED OPERATING AND POPLAR SPRINGS JULY 2015 BALANCE** **3,052,128.19**

<b>Combined Summary - July 2015</b>		
Beginning Balance		3,034,030.08
Plus Operating Revenue		28,794.55
Less Operating and Poplar Springs Disbursements		(10,696.44)
<b>TOTAL COMBINED BALANCE - JULY 2015</b>		<b>3,052,128.19</b>



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

Phone (865) 594-6035    Statewide 1-888-891-8332    FAX (865) 594-6105

July 20, 2015

Mr. Chad Newton  
10201 South River Trail  
Knoxville, TN 37922

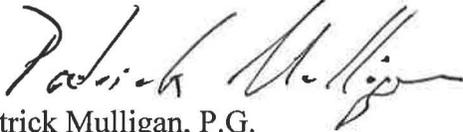
The Honorable Jim Greenway  
City Hall  
P.O. Box 189  
201 Alma Place  
Loudon, TN 37774

RE:    Poplar Springs Landfill  
       SNL 531030162  
       Conceptual Plan for Site Improvements

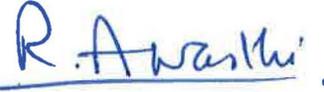
The Division of Solid Waste Management (Division) has received and reviewed conceptual plans for site improvements for the subject location prepared by BDY Environmental, LLC dated June 26, 2015. The Division concurs with the overall content and strategy outlined in the document. However, the Division notes concern for existing trees remaining within the boundary of waste as a potential future maintenance issue. The Division notes consideration in the plan for post-improvement monitoring and maintenance. Site improvement plans should be enhanced to address post-improvement monitoring and maintenance roles and responsibilities, a more detailed description of monitoring tasks and schedule, and considerations for repairing any cover damage caused by uprooted and falling trees. Any questions or comments can be directed to Patrick Mulligan of the Knoxville Environmental Field Office at 865.594.5582.

Mr. Newton,  
Honorable Jim Greenway  
July 20, 2015  
Page 2 of 2

Regards,



Patrick Mulligan, P.G.  
Environmental Scientist  
Division of Solid Waste Management



Revendra Awasthi  
Environmental Field Office Manager  
Division of Solid Waste Management

- c. KEFO File  
NCO File (electronically)  
Steve Field, Loudon County Solid Waste Disposal Commission  
Chris Parks, Loudon County  
The Honorable Mayor Buddy Bradshaw, Loudon County  
The Honorable Mayor Tony Aikens, Lenoir City  
David E. Jackson, BDY Environmental, LLC

enclosure



650 25th Street, N.W., Suite 100  
Cleveland, Tennessee 37311  
(423) 303-7101  
Toll Free: (800) 467-9160

Email: [mail@santekenviro.com](mailto:mail@santekenviro.com)  
Internet: [www.santekenviro.com](http://www.santekenviro.com)

**Monthly Operations Report**  
**Matlock Bend Landfill**  
**August 11, 2015**  
**Presented by:**  
**Santek Environmental, Inc.**

- I. OPERATIONS**
  - A. Tonnage Report
  - B. Customer Report
  - C. Inspection
  - D. Materials Classification Report
  - E. Waste Characterization Report
  - F. Tire Report
  - G. Quarterly Waste Origin Report
  - H. Quarterly State Surcharge and Inspection Fee Report
  
- II. REMAINING AIRSPACE UTILIZATION SCHEDULE**
  
- III. HOST & SECURITY FEES**

**LANDFILL TONNAGE VOLUME**  
**MONTH ENDING -**  
**July 2015**

**MATLOCK BEND LANDFILL**

MONTH	2014	2015	2014 TO 2015
JANUARY	18,181.51	12,350.37	(5,831.14)
FEBRUARY	18,827.30	9,780.01	(9,047.29)
MARCH	19,821.19	14,194.83	(5,626.36)
APRIL	21,488.87	14,753.38	(6,735.49)
MAY	19,160.50	13,573.83	(5,586.67)
JUNE	15,228.14	16,695.74	1,467.60
JULY	18,079.82	16,482.91	(1,596.91)
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	130,787.33	97,831.07	(32,956.26)

**DAILY AVG FOR ANY  
 RUNNING 30 DAY  
 PERIOD**                      **526.48**

**LOUDON COUNTY**

MONTH	2014	2015	2014 TO 2015
JANUARY	413.74	432.51	18.77
FEBRUARY	391.37	344.16	(47.21)
MARCH	444.91	466.57	21.66
APRIL	436.44	476.65	40.21
MAY	463.42	477.51	14.09
JUNE	451.76	473.83	22.07
JULY	484.61	504.15	19.54
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	3,086.25	3,175.38	89.13

**LENOIR CITY**

MONTH	2014	2015	2014 TO 2015
JANUARY	255.87	277.10	21.23
FEBRUARY	256.28	221.09	(35.19)
MARCH	307.30	379.43	72.13
APRIL	380.93	389.66	8.73
MAY	363.48	308.39	(55.09)
JUNE	333.05	339.02	5.97
JULY	387.51	381.56	(5.95)
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	2,284.42	2,296.25	11.83

**CITY OF LOUDON**

MONTH	2014	2015	2014 TO 2015
JANUARY	326.75	339.80	13.05
FEBRUARY	322.26	265.51	(56.75)
MARCH	355.95	385.99	30.04
APRIL	380.93	379.81	(1.12)
MAY	383.29	367.66	(15.63)
JUNE	402.25	411.35	9.10
JULY	392.38	411.03	18.65
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	2,563.81	2,561.15	(2.66)

**WASTE SERVICES OF TN**

MONTH	2014	2015	2014 TO 2015
JANUARY	5,007.47	2,031.57	(2,975.90)
FEBRUARY	4,363.83	1,584.21	(2,779.62)
MARCH	4,318.51	2,201.02	(2,117.49)
APRIL	4,920.17	2,255.16	(2,665.01)
MAY	4,482.69	2,237.74	(2,244.95)
JUNE	4,005.97	2,153.85	(1,852.12)
JULY	5,301.42	2,248.31	(3,053.11)
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	32,400.06	14,711.86	(17,688.20)

**TENNESSEE TRASH**

MONTH	2014	2015	2014 TO 2015
JANUARY	1,509.64	2,321.78	812.14
FEBRUARY	1,560.54	1,561.72	1.18
MARCH	1,778.92	2,426.85	647.93
APRIL	2,067.49	2,481.53	414.04
MAY	2,020.17	2,187.70	167.53
JUNE	2,012.92	2,447.90	434.98
JULY	2,237.90	2,697.57	459.67
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	13,187.58	16,125.05	2,937.47

**LANDFILL TONNAGE VOLUME**  
**MONTH ENDING -**  
**July 2015**

**KIMBERLY CLARK - PAPER WASTE**

MONTH	2014	2015	2014 TO 2015
JANUARY	7,846.43	2,541.93	(5,304.50)
FEBRUARY	7,663.61	2,450.48	(5,213.13)
MARCH	8,275.51	2,901.51	(5,374.00)
APRIL	8,218.88	3,187.70	(5,031.18)
MAY	6,458.22	2,973.18	(3,485.04)
JUNE	3,128.27	2,447.90	(680.37)
JULY	3,273.42	3,225.52	(47.90)
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	44,864.34	19,728.22	(25,136.12)

**TATE & LYLE - SLUDGE**

MONTH	2014	2015	2014 TO 2015
JANUARY	2,088.33	0.00	(2,088.33)
FEBRUARY	2,387.03	0.00	(2,387.03)
MARCH	2,292.99	0.00	(2,292.99)
APRIL	2,601.69	0.00	(2,601.69)
MAY	2,050.17	0.00	(2,050.17)
JUNE	1,700.20	0.00	(1,700.20)
JULY	1,986.88	0.00	(1,986.88)
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	15,107.29	0.00	(15,107.29)

**PSC METALS INC**

MONTH	2014	2015	2014 TO 2015
JANUARY	1,136.94	1,795.83	658.89
FEBRUARY	1,834.26	1,475.73	(358.53)
MARCH	2,139.46	2,424.61	285.15
APRIL	2,915.74	2,291.98	(623.76)
MAY	2,571.44	2,293.32	(278.12)
JUNE	2,708.47	4,563.22	1,854.75
JULY	3,239.67	3,390.73	151.06
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	16,545.98	18,235.42	1,689.44

**TATE & LYLE - ASH**

MONTH	2014	2015	2014 TO 2015
JANUARY	933.76	0.00	(933.76)
FEBRUARY	567.17	0.00	(567.17)
MARCH	90.20	0.00	(90.20)
APRIL	218.21	0.00	(218.21)
MAY	356.37	0.00	(356.37)
JUNE	237.06	0.00	(237.06)
JULY	240.14	0.00	(240.14)
AUGUST			0.00
SEPTEMBER			0.00
OCTOBER			0.00
NOVEMBER			0.00
DECEMBER			0.00
TOTAL	2,642.91	0.00	(2,642.91)



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

NAME OF SITE <i>Mallock Bend CE</i>		REGISTRATION NUMBER <i>SNC 93-0203</i>		DATE <i>7-16-88</i>		
LOCATION (physical) <i>RR. 72</i>			PURPOSE ( ) Complete ( ) Follow-up ( ) Complaint ( ) Other			
OWNER/OPERATOR <i>Ed Donco.</i>			TYPE OF FACILITY ( ) CLASS I ( ) CLASS II ( ) CLASS III ( ) CLASS IV			
		V1	V2		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>- No violations found.</i>						
PERSON INTERVIEWED (Signature) <i>Royal D.</i>			INSPECTED BY (Signature) <i>[Signature]</i>			
TITLE <i>Manager</i>			TITLE <i>SES - DSWM</i>			
TIME OF DAY <i>11:00 AM</i>	WEATHER CONDITIONS <i>119° SUN</i>			COMPLIANCE DATE _____		

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

**Materials Classification Report**  
**Matlock Bend Landfill**  
**Monthly Tonnage Summary July 2015**

Material	Tonnage	2012 Sludge %		2013 Sludge %	
<b>MSW</b>					
MSW	<u>8,842</u>	January	6%	January	11%
		February	8%	February	13%
		March	8%	March	12%
		April	9%	April	12%
		May	8%	May	10%
		June	8%	June	13%
		July	11%	July	11%
		August	10%	August	9%
		September	10%	September	12%
		October	12%	October	10%
		November	10%	November	12%
		December	10%	December	13%
<b>Special Waste</b>					
Other	6,825				
Ash	0				
Sludge	<u>816</u>				
<b>Total Special Waste</b>	<u><u>7,641</u></u>				
<b>Total MSW &amp; SW</b>	<b>16,483</b>				
Tires	53				
<b>Total Material</b>	<u><u>16,536</u></u>				
<b>% MSW</b>	<u>54%</u>				
<b>% Special Waste</b>	<u>46%</u>				
<b>% Sludge</b>	<u>5%</u>				

	2014 Sludge %		2015 Sludge %	
January	12%	January	2%	
February	13%	February	3%	
March	12%	March	3%	
April	13%	April	1%	
May	12%	May	2%	
June	12%	June	1%	
July	12%	July	5%	
August	6%	August		
September	1%	September		
October	3%	October		
November	4%	November		
December	2%	December		



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

<b>Month</b>	<b>Tonnage</b>
Jul-15	63.11
Aug-15	
Sep-15	
Oct-15	
Nov-15	
Dec-15	
Jan-16	
Feb-16	
Mar-16	
Apr-16	
May-16	
Jun-16	
<b>Total (tons)</b>	<b>63.11</b>

**Landfill Origin Report for Loudon County, Tennessee****Advertised Tipping Fee Per ton \$27.45**

Origin of Waste (Name of County)	Waste Received From County, Transfer Station or Other	Q1 2015	Q2 2015	Q3 2015	Q4 2014	YTD Total
Anderson	County	0.00	4.54			4.54
Knox	County	5,800.14	9,330.65			15,130.79
Loudon	County	27,543.19	32,058.59			59,601.78
McMinn	County	273.71	172.74			446.45
Monroe	County	769.59	1,029.87			1,799.46
Roane	County	1,897.34	2,302.72			4,200.06
Blount	County	41.24	121.97			163.21
Meigs	County	0.00	1.87			1.87
Rhea	County	0.00	0.00			0.00
		<b>32,342.01</b>	<b>45,022.95</b>			<b>81,348.16</b>



DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
 DIVISION OF SOLID WASTE MANAGEMENT  
 312 Rosa L. Parks Avenue, TN Tower, 10th Floor  
 Nashville, TN 37243-1535

QUARTERLY SOLID WASTE SURCHARGE AND  
 FACILITY INSPECTION FEE REPORT

(Type or print. See reverse for instructions)

Facility ID Number:  SNL 53-103-0203	For Quarter Ending:  June 30, 2015
Facility Name and Address:  Matlock Bend Landfill Santek Environmental/Jamie Miller 650 25th St, NW, Suite 100 Cleveland, TN 37311 (Change if incorrect)	1. Facility Location  21712 HWY 72 North London, TN 37774
2. Facility Owner/Operator  London County/Santek Environmental Inc	3. Telephone Number  (423) 303-7101

4. Amount of waste received during each month of reporting period (in tons):	
First month of quarter	<u>14,753.38</u>
Second month of quarter	<u>13,573.83</u>
Third month of quarter	<u>16,695.74</u>
5. Total tons of waste received during reporting period:	<u>45,022.95</u>
6(a). Surcharge: Total tons <u>45,022.95</u> X \$0.90 =	<u>\$ 40,520.66</u>
6(b). Deduct 1% if paid on or before due date	Less <u>\$ 405.21</u>
7. Facility Inspection Fee: Total tons <u>45,022.95</u> X \$0.35 =	<u>\$ 15,758.04</u>
8. Outstanding debit or credit	<u>\$ 0</u>
9. Total due	<u>\$ 55,873.49</u>

Make check or money order payable to the Treasurer, State of Tennessee. Payments are due January 31, April 30, July 31, and October 31.

10. I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, and accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tennessee Code Annotated Section 39-16-702(a)(4), this declaration is made under penalty of perjury.

Jamie Miller

Staff Accountant

7/23/15

Signature of Owner/Operator

Title

Date

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

DATE	REMAINING AIRSPACE <sup>1</sup> (CY)	MONTHLY TONNAGE	ACTUAL / PROJECTED <sup>2</sup>	UTILIZATION FACTOR	MONTHLY VOLUME CONSUMED (CY)	ENDING MONTHLY REMAINING AIRSPACE (CY)
		15,584		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	-	12,350	A	0.99	12,227	334,175
February	-	9,780	A	0.99	9,682	324,493
March	-	14,195	A	0.99	14,053	310,440
April	-	14,753	A	0.99	14,606	295,834
May	-	13,574	A	0.99	13,438	282,396
June	-	16,696	A	0.99	16,529	265,867
July	-	16,483	A	0.99	16,318	249,549
August	-	15,584	P	0.99	15,428	234,121
September	-	15,584	P	0.99	15,428	218,692
October	-	15,584	P	0.99	15,428	203,264
November	-	15,584	P	0.99	15,428	187,836
December	-	15,584	P	0.99	15,428	172,407

<sup>1</sup> = Remaining airspace based on Sept. 18, 2014 aerial survey.

Full Date

December-2016

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

<sup>3</sup> = 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

May	13,574
June	16,696
July	16,483
<b>Average</b>	<b>15,584</b>

cc: Tim  
Matt  
Cheryl  
Ron  
Chris  
Raymond  
Jason  
Andy

# SANTEK



## Waste Services

650 25<sup>th</sup> Street NW, Ste 100  
Cleveland, TN 37311

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

August 10, 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 July 1, 2015 to July 31, 2015:

Host Fees (Greater of below) —	
Total Tip Fees Billed	\$295,637.63
Host Fee Percentage	<u>4.00%</u>
	<b>\$ 11,825.51</b>
Minimum Fee	<u>\$ 10,652.00</u>
Security Fees (Greater of below) —	
Total Tonnage Received	16,482.91
Rate per ton	<u>\$ 1.00</u>
Total	<b>\$ 16,482.91</b>
Total Tip Fees Billed	\$295,637.63
Security Fee Percentage	<u>5.00%</u>
	<b>\$ 14,781.88</b>

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  
Vice President of Finance & Corporate Controller



650 25th Street, N.W., Suite 100  
Cleveland, Tennessee 37311  
(423) 303-7101  
Toll Free: (800) 467-9160

Email: [mail@santekenviro.com](mailto:mail@santekenviro.com)  
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August 11, 2015

Loudon County Solid Waste Disposal Commission  
Loudon County Annex  
101 Mulberry Street, Suite 102  
Loudon, Tennessee 37774

Dear Commissioners,

At your July 14, 2015 meeting, you requested Santek submit for your consideration a formal, detailed proposal to live fund the Commission's closure/post-closure accrual. You also asked that the proposal be tied to a definitive amount of time. Given this request, I am pleased to make the following offer to the Commission:

Once the Commission gives its approval to this proposal and a contract amendment has been secured, Santek will begin accruing \$1.62 per ton for the Commission which will be dedicated to the Matlock Bend Landfill's closure/post-closure account. This figure was derived by estimating approved closure/post-closure costs from the Tennessee Department of Environment and Conservation (TDEC). Based on 2015 dollars, the total amount needed to fund the Commission's closure/post-closure accrual is estimated to be \$9,314,120. The Commission will continue to control the account and Santek will make monthly or quarterly deposits into the account based on the total number of tons disposed of in the landfill.

Santek's model is based on the following assumptions:

- The landfill's final elevation will, more or less, be maintained according to the existing elevation, resulting in a "lower top" expansion of the landfill.
- The Commission will support Santek's effort to secure approval from TDEC for the "lower top" expansion. The permitting event will require a major permit modification and our proposal is contingent upon this approval.
- The Commission will dedicate the existing closure/post-closure funds to the closure and post-closure care of the landfill.
- Santek's responsibility will be to live fund the account, based on a per-ton amount. This figure will be adjusted annually to account for inflation and air space consumption.
- The Commission will be responsible for closure and post-closure care, and will use funds from the account to complete this responsibility.
- Santek is able to use the Commission's adjacent property for all soil needs.

Given the Commission agrees with these assumptions, Santek is seeking an additional 15-year term to its existing agreement. It also suggests using similar contract language in the Gordon County, Georgia landfill management agreement as a model. We recommend this language because it keeps the Commission in complete control of its funds and it ensures the account will be revised annually to reflect the actual volume of airspace consumed by Santek. I have attached a copy of this proposed contract language.

If this proposal meets with the Commission's approval, Santek is prepared to engage its attorney and enter into negotiations with the Commission.

Sincerely,

A handwritten signature in blue ink that reads "Cheryl L. Dunson". The signature is written in a cursive style with a large, stylized "C" at the beginning.

Cheryl L. Dunson  
Executive Vice President of Marketing

cc: Tim Watts, Chief Operations Officer - Santek  
Eddie Caylor, Chief Business Development Officer  
Ron Vail, Vice President of Engineering

the County shall be fully responsible for complying with Closure and Post Closure Care of the Landfill subsequent to the expiration of the term of this Agreement.

**8.3 Financial Assurances; Escrow Closure Account.**

- (a) The County acknowledges that the County must comply with an annual financial assurance requirement with the State of Georgia for Landfill Closure and Post-Closure Care under the Solid Waste Laws, and that the County may satisfy this requirement by a "contract of obligation." The County will continue to meet such annual financial assurance obligations with the State.
- (b) The County shall establish an interest-bearing account in the name and sole control of the County ("Closure Account"). Said Closure Account will be utilized by County for the sole purpose relating to the establishment of financial responsibility to applicable regulatory agencies pertaining to the closure and post closure care of the Landfill. Said Closure Account shall be established with an independent third-party national banking institution of County's choice or an independent FDIC-insured state banking institution of the County's choice that is reasonably acceptable to Contractor. Within thirty (30) days of the end of each calendar quarter during the term of this Agreement, Contractor will remit to County, and County shall deposit into the Closure Account, an amount equal to the result of the estimated number of cubic yards of the Landfill filled during such quarter, multiplied by \$1.20, which is designed to compensate the County for all Closure costs related to the tonnage disposed of in the Landfill during the term of this Agreement. The amount deposited into the Closure Account shall be revised annually to reflect the actual volume consumed by the Contractor based on an independent aerial survey performed at the Contractor's expense and revisions by EPD in its estimate of total costs of Closure and the Landfill's permitted capacity. Upon termination on any grounds, or expiration of this Agreement, County shall retain the sole right of use and ownership in and to the funds contained in the Closure Account. Additionally, if this Agreement is terminated by either party prior to the expiration of its term, Contractor has no responsibility for closure or post closure care so long as it has complied in full with its obligation to make the aforesaid payments prior to the date of termination of the Agreement.

**IX. DEFAULT**

- 9.1 **Event of Default.** An "Event of Default" occurs when Contractor fails to materially perform any of its obligations under this Agreement including, but not limited to the following, and Contractor fails to cure its default within thirty (30) days after its receipt of written notification by the County; provided, that if such default cannot be cured within thirty (30) days, an event of default does not occur