

Minutes
Loudon County Solid Waste Disposal Commission
February 9, 2016

The Loudon County Solid Waste Disposal Commission (Commission) met on January 12, 2015 at 6:30 p.m. at the Loudon County Office Building. The Commission was represented by Steve Field, Larry Jameson, Art Stewart, John Watkins, Bruce Hamilton, and Dennis Stewart. Other attendees included Attorney Kevin Stevens; Chris Parks with Loudon County; City of Loudon Mayor Jim Greenway; Santek representative Raymond Givens; and residents Aileen Longmire, Pat Hunter, Kaye Wallace, Betty Jo McAllister, Richard Anklin, and Michelle Lewis.

Mr. Field called the meeting to order at 6:30 p.m. and welcomed Dennis Stewart as the new representative of the City of Loudon on the Commission.

Mr. Jameson led the Commission in the Pledge of Allegiance and the invocation.

MOTION: Mr. Jameson made a motion to approve the minutes of January 12, 2016. Mr. Art Stewart seconded the motion and the minutes were approved unanimously.

During Items of Public Concern, Mr. Anklin presented the Commission with a document that he had prepared which contained his analysis and observations regarding certain financial and operational issues associated with the ongoing operation of the Matlock Bend Landfill. Mr. Anklin expressed his opinions regarding the interpretation of the existing Landfill Operational Agreement as well as his analysis regarding the future financial performance of the Landfill. At the conclusion of his comments, Mr. Anklin reiterated that he did not favor a 15 year extension of the Operational Agreement at this time, but rather suggested that Santek should voluntarily pay the Commission an additional \$0.62 per ton of waste at the Landfill without any modification of the Operational Agreement.

Mr. Richard Truitt stated that he believed that the proposed 15 year extension of the Operational Agreement was unreasonable as he did not favor any extension of the Agreement. He stated that the County only needs a means to dispose of its own waste at the Landfill.

Ms. Hunter made comments regarding her recent records requests to the Commission related to documentation of the discounted customer tipping fees charged to volume Landfill customers for various years. She stated that Section 10.3 of the Operational Agreement requires that Santek submit annual reports regarding the discounted customer tipping fees charged to volume Landfill customers. She expressed dissatisfaction with the Commission's response that it had already provided all responsive records in its possession as she had not received annual reports in the form requested for each year subject of her requests. Ms. Hunter also addressed concerns that the Commission should follow applicable procurement requirements in consideration of any extension to the Operational Agreement. Finally, Ms. Hunter addressed the balance between the gross revenue received from Santek from its operation of the Landfill relative to the fees received by the Commission. She expressed that the division of landfill revenues should be divided more equitably between Santek and the Commission.

Ms. Longmire asked for clarification regarding the manner in which the Commission amends its minutes and Mr. Stevens addressed the process for amendment of the Commission's minutes. Ms. Longmire then asked about how much volume is presently left in the permitted Landfill and Mr. Field indicated that he would look into this issue. Ms. Longmire finally stated that she had made previous records requests to the County Mayor's office to see the 2007 RFP for the Operational Agreement. She said that her request had not been satisfied as she had not seen any signed RFP or associated cover letter sent to prospective

bidder. Mr. Field said that he would speak with the County Purchasing Department to inquire about the 2007 RFP documents.

Mr. Field presented a brief summary of the Cash Activity Report as Ms. Dunson was unable to attend the Commission meeting.

Mr. Field also presented a brief summary of the Operations Report. Mr. Field asked Mr. Givens if there was anything of note related to the previous operations of the Landfill. Mr. Givens stated that he is continuing to look into the cost of various options to improve the truck wash station at the Landfill. At the conclusion of the Operations Report, Mr. Field noted that Santek had responded favorably to the Commission's recent letter inquiring about Santek's obligations to close portions of the Landfill during the term of the Operational Agreement. Mr. Field stated that Santek had prepared a letter response which would be distributed at the next Commission meeting. He noted that Santek had agreed to fund phased closure for those portions of the Landfill that were closed during the term of the Agreement.

Following the Operations Report, Mr. Dennis Stewart addressed the Commission regarding his opinions on the financial operation of the Landfill and the ongoing negotiations with Santek to modify the Agreement. He expressed concern that Santek was avoiding closing cells in the Landfill during the term of the Agreement by placing waste in new cells. He also stated that Santek should be responsible for compensating the Commission for any loss of Landfill volume and soil based upon the previous slope failure. Mr. Stewart finally stated that the City of Loudon was not interested in any extension of the Operational Agreement. He requested that Santek provide data regarding tipping fees as tipping fees should not be considered proprietary information.

Ms. Lewis, Executive Director of the Loudon County Education Foundation, addressed the Commission regarding the potential for the Commission to participate in funding a grant for the Loudon County Schools related to recycling and/or any other topic of interest to the Commission. She provided a summary of the background of the Foundation and gave details regarding its past community contributions. Ms. Lewis stated that it would cost \$10,000.00 for the Commission to fund a grant. She indicated that the Commission could write criteria for teachers to apply for a grant and then the Commission could have some input into how the grant was administered. She suggested that the Commission could partner with Santek on a grant proposal. The Commission asked that Art Stewart continue to look into a possible grant proposal to bring to the Foundation.

Mr. Field then presented a brief update regarding the investment of the Commission's accrued funds. He said that he had talked with Loudon County Trustee, Chip Miller, regarding the current rates for investment as well as the Commission's request to convene the Loudon County Investment Committee in order to consider allowing investments with terms of greater than 2 years. Trustee Miller indicated to Mr. Field that rates for CDs had recently decreased when he went out to market to procure CDs for part of the Commission's accrued funds. Mr. Field stated that Trustee Miller quoted the current rates for CDs at .50% for 1 year CDs and .64% for 2 year CDs. Trustee Miller further stated that interest rates may continue to decline in the short term. Mr. Field said that he would invite Trustee Miller to attend the next meeting of the Commission to discuss current investment opportunities.

MOTION: Mr. Hamilton made a motion to direct Trustee Miller to wait on securing CDs for the Commission until after the Commission has an opportunity to speak with Trustee Miller again at the next meeting regarding current investment opportunities. Mr. Art Stewart seconded the motion and the motion passed unanimously.

During the Attorney's Report, Mr. Stevens distributed the draft Financial Statements for the year ending on June 30, 2015. Mr. Stevens highlighted some of the important financial data contained in the draft Financial Statements. He asked that the Commission members review the Financial Statements in more detail and then provide him with any comments or questions they may have. Mr. Stevens said that he would present any comments or questions to the outside auditor for consideration with preparation of the final Financial Statements. Mr. Stevens also provided the Commission with copies of additional invoices for legal and expert services incurred by the Commission's stakeholders related to the closed Poplar Springs Landfill. He noted that these invoices were distributed for informational purposes only as Commission does not approve these invoices because it did not own or operate this closed Landfill at any time. Finally, Mr. Stevens addressed the ongoing issues related to hunting on the Landfill property. He stated that from a pure legal standpoint, the Commission cannot fully insulate itself from liability in the event that it directly authorizes hunting on the Landfill property. He stated that the best protection from liability would be for the Commission to work with TWRA to post the Landfill property to prohibit all hunting activity and trespassing on the Landfill property. Mr. Field stated that he would invite a TWRA representative to appear at a future Commission meeting to address the process of posting the Landfill property to prohibit hunting and trespassing.

MOTION: Mr. Jameson made a motion for the Commission to work with TWRA to post the Landfill property to prohibit all hunting activity and trespassing on the Landfill property. Mr. Art Stewart seconded the motion and the motion passed unanimously.

During the Chairman's report, Mr. Field said he had an invoice from the Loudon News-Herald for \$159 for the month of January and an invoice for monthly legal services.

Mr. Field also introduced the topic of disposing of CRT TVs at the Landfill. Mr. Parks stated that a vendor in Florida had previously been disposing of CRT TVs that were dropped off at the County Convenience Centers was no longer willing to provide this service without charge. He said that the vendor was going to charge \$0.15 per pound for disposing of CRT TVs. Mr. Parks indicated that this could cost the County roughly \$30,000.00 to \$40,000.00 per year with current volume. A lengthy discussion ensued regarding the potential that eliminating disposal of CRT TVs at the Convenience Centers could cause substantially more CRT TVs to be disposed of at the Landfill. There is great concern that these CRT TVs have significant amounts of lead which is a known hazard. The Commission expressed an interest in working with the County and Santek to discuss the future disposal of CRT TVs in the County.

MOTION: Mr. Jameson a motion to adjourn the meeting at 8:36 p.m. Mr. Hamilton seconded the motion and it passed unanimously.

The Commission's next regularly scheduled meeting is March 8, 2016 at 6:30 p.m. at the Loudon County Courthouse Annex.

Respectfully submitted,



Steve Field, Chairman
Loudon County Solid Waste Disposal Commission