

Minutes
Loudon County Solid Waste Disposal Commission
June 13, 2017

The Loudon County Solid Waste Disposal Commission (Commission) met on June 13, 2017 at 6:30 p.m. at the Loudon County Office Building. The Commission was represented by Steve Field, John Watkins, Larry Jameson, Dennis Stewart, Art Stewart and Bruce Hamilton. Other attendees included Attorney Kevin Stevens; City of Loudon Mayor Jim Greenway; Santek representatives Raymond Givens, Tiffany Gresham and Cheryl Dunson; and residents Aileen Longmire and Pat Hunter.

Mr. Field called the meeting to order at 6:30 p.m.

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

MOTION: Mr. Jameson made a motion to approve the minutes of May 9, 2017. Mr. Watkins seconded the motion. The minutes were approved unanimously.

During Items of Public Concern, Ms. Hunter said she requested bid documents for the Poplar Springs Landfill remediation project from the Loudon County Mayor's office, but has yet to receive them. She said the bid opening was January 20, 2017, and the county mayor, county attorney and environmental engineer were to conduct a review process of the sole submitted bid. Ms. Hunter said, as of today, the bid documents are still unavailable which is puzzling since, she said, once bids are submitted to a local government they become public record. She also asked Mr. Field why the work on the Poplar Springs Landfill hasn't begun. Mr. Field said he wasn't sure why the work hasn't started. He said it could be a property access issue.

Ms. Hunter also asked if the remaining audit issues will be discussed during the meeting. She said she was concerned about the declining funds in the Poplar Springs Subfund Account. Mr. Field said the audit would be addressed. A gentleman in the audience asked Mr. Field if the Commission will be hiring a different auditor since this was the second consecutive year a large line item was missed in the audit. Mr. Field said the Commission will address the Commission's future selection of its auditor at another meeting.

Ms. Dunson presented the Cash Activity Report for May 2017. She indicated she was unsure why no security and host fees were posted on the statement, but said it could be due to an employee turnover at Santek's corporate office. She said she would inquire about the payment the following morning and give Mr. Field an update. Mr. Hamilton also asked why there was a loss of \$2,493.90 recorded in investment income. Mr. Field said he will discuss the loss with Loudon County Finance Director Tracy Blair.

During Santek's Operations Report, Ms. Dunson informed the Commission that customer activity reports dating back to August 2016 were included in the meeting packets. She also asked Mr. Givens to explain the Area of Concern noted on the landfill inspection by the Tennessee Department of Environment and Conservation (TDEC) related to two barrels at the working face. Mr. Givens explained the barrels were marked "flammable" and the inspector was concerned they weren't permitted for disposal at the landfill. Mr. Givens said he showed the inspector the landfill's special waste approval letter from TDEC stating it was permissible to accept the barrels at the landfill. Unfortunately, the waste generator neglected to remove the stickers before disposing of the barrels. Mr. Jameson thanked Mr. Givens for keeping Hwy. 72 free of mud, but said an excess amount of gravel was being carried out of the landfill from vehicles' tires. Mr. Jameson asked Mr. Givens to wash the entire road to keep gravel from building up in the middle of the road.

Mr. Stevens gave an update about the audit issues raised during the Commission's May 2017 meeting regarding \$60,000 of legal and/or consulting invoices for the Poplar Springs Landfill. After discussing the matter with Ms. Blair, auditor Richard Hill and attorney Bob Bowman, it was determined there were two separate invoices at issue in the amounts of \$32,282.59 and \$29,352.54 respectively. The first invoice was posted before June 30, 2016 by Ms. Blair, but not posted as a "payable." The latter invoice was properly posted, but not discovered by the auditor's staff during the audit process. Mr. Stevens said he asked Ms. Blair and Mr. Hill to provide written accounts of these discoveries for the Commission's files before the audit is sent to the State of Tennessee Comptroller's Office. Mr. Stevens distributed the written explanations to the Commission. He added the good news is that the subject invoices were already paid and there isn't a need to withdraw an additional \$60,000 from the Poplar Springs Subfund Account. Mr. Jameson asked Mr. Stevens if the current balance of the subfund account is accurate. Mr. Stevens said it was accurate, and the problems were apparently related to timing and posting issues.

Mr. Field said he asked Mr. Hill to attend the Commission's meeting, but he was out of town. Mr. Hill said he is willing to attend the Commission's July meeting. Mr. Art Stewart asked how the Commission will prevent similar audit issues from occurring next year. Mr. Field said the county has procedures in place to catch accounting errors, but he was concerned with a statement in Mr. Hill's explanation to the Commission that the auditor was confident he would've caught the oversight before the final report was issued. Mr. Field asked Commissioners if they wanted Mr. Hill to attend their next meeting and they agreed. Mr. Watkins asked Mr. Stevens if there were any concerns about delaying the submission of the audit to the comptroller's office and Mr. Stevens said no since the Commission had already asked for an extension.

Mr. Stevens gave an update on the contract modifications with Santek. He said he and Mr. Field had a lot of communication with Dr. Bob Bachus with Geosyntec Consulting regarding his appraisal of Santek's proposal to the Commission. Mr. Stevens said Santek responded promptly to Dr. Bachus' request for technical and financial information, and he now has the information he needs to complete his analysis. Dr. Bachus prepared a preliminary timeline of activities and is hopeful to have a preliminary report to the Commission at its next meeting. Mr. Stevens distributed a formal contract with Geosyntec which reflects the terms approved by the Commission when it agreed to hire Dr. Bachus.

Mr. Stevens said he received information last week that more invoices are being issued in the amount of \$22,727.54 for legal and/or consulting services related to the Poplar Springs Landfill. Mr. Field said he was curious about the source of the 10-year monitoring period requirement associated with the landfill's remediation. He said the requirement came from TDEC.

Mr. Hamilton gave an update on the Commission's investment options. He said the one-year treasury note is earning one percent interest and will mature on April 15, 2018. The two-year treasury note is earning 1.15 percent interest and will mature on April 15, 2019.

Mr. Field said he has talked to Ms. Blair to see what can be done to get financial information to the Commission prior to its meetings. Mr. Field said it might be possible to disseminate information earlier with the understanding that changes may be forthcoming. Mr. Jameson said as much as he'd like to receive information earlier than the evening of the meeting, he didn't want to risk any confusion. Ms. Hunter suggested the Commission request an account analysis of expenditures and revenues from the county finance department. Mr. Field said he would look into it.

During the Chairman's report, Mr. Field reported that the TDEC solid waste conference in Chattanooga was informative and Dr. Bachus' presentation about liquids in landfills causing slope failures was very educational. Mr. Field also said he will have two invoices from Mr. Stevens' law firm; a \$3,750 invoice

from Loudon Utilities for the sewer line; and a \$185 expense report for mileage and parking associated with his attendance at the TDEC conference in Chattanooga.

MOTION: Mr. Dennis Stewart made a motion to adjourn the meeting at 7:33 p.m. Mr. Art Stewart seconded the motion and it passed unanimously.

The Commission's next regularly scheduled meeting is July 11, 2017 at 6:30 p.m. at the Loudon County Courthouse Annex.

Respectfully submitted,



Steve Field, Chairman
Loudon County Solid Waste Disposal Commission