

Hamblen County/Morristown Solid Waste Board of Directors Meeting

Minutes: December 20, 2024

Hamblen County Health Department Conference Room

Board Members Present: Tom Rush-Chairman, Patrick McGuffin-Vice Chairman, Chris Cutshaw- (Ex-Officio/County Mayor), Dennis Barnes-(Ex-Officio/Director), Mike Bell, Bob Garrett, Tim Horner, Matt Lacy, Ventrus Norfolk and Will Sliger.

Others Present: Amy Hemminger, Steve Bostic, Joey Barnard, Paul Brown, Curtis Morrison, Chris Capps, and Stephanie Clonce.

Meeting Called To Order: Tom Rush

Mr. Rush called the meeting to order at 9:00 a.m.

Public Comment/General Public Forum: None

Approval of Minutes: Tom Rush

Mr. Lacy made the motion to approve the November 15, 2024 minutes, and Mr. Sliger seconded the motion with all board members in favor.

Financial Report: Amy Hemminger and Tom Rush

1. Review of November Financials- Ms. Hemminger stated that an adjustment on recording the bonds receivable from the City and County will show up next month's financials. The negative cash balance is because of timing issues of checks not clearing the bank in November and the automatic transfer from the sweep account for such, that will clear up in December.
2. In LGIP activity, we withdrew monies to pay the interest due on the bonds, in addition to funds of approximately \$169,000 for the shredder debt payment. (Net of tire grant fees/expenses for 3rd quarter 2024). The balance remaining in the LGIP Shredder account is the interest earned in November. East TN Turf Pay app #6 will finalize the city bond. Maintenance expenses include those for Stower's repair to the D6R just under \$11,000. CAT D6T undercarriage repair was budgeted for \$40,000 and came in a little over \$50,000. Bond interest includes that owed on the city bond and the shredder. The county shredder principal payment is included in debt service.
3. Mr. Rush stated that the interest rate at First Horizon is at 2.15%, and the LGIP interest rate is at 4.74%.

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Manager's Report: Dennis Barnes

1. Mr. Barnes stated that we have had four visits from TDEC. In November Paula Plont with TDEC did the inspection and annual engineering report that we got a clean slate on. In December, Molly Stanford with TDEC did the inspection, and we are at the top 5% of compaction in the State of Tennessee.
2. Mr. Barnes stated that we had a meeting with TDEC over the expansion permit on Wednesday. The proposed road in the permit application has an estimated cost of \$200,000, and the road is a little steep. This worries me for the public coming in and for safety and repair of the road. We need to asphalt 500ft of the road going in with a rough estimate of around \$80,000. This will save money now, and the paving will be completed by BPRI paving in Knoxville who ETTL uses. Mr. Bostic stated that we have submitted the change permit for the road and should have at least a verbal in a couple of weeks from TDEC. Mr. Lacy made a motion to approve up to 500ft, with 24 x 4 of pug mix/binder for \$80,000 subject to the approval of the permit to save \$120,000 now on the expansion project. Mr. McGuffin seconded the motion with all board members in favor. Mr. Bostic stated that we should get a verbal from TDEC.
3. Mr. Lacy stated that he had spoken with Ron White with GFL, and he said we could use their storage building to store the liner for free. This would eliminate the storage costs we would have to pay the manufacturer to store the liner for us until needed. After some discussion, the board decided that the building could not store it all. We would still need to get insurance to cover it if they would offer that, and we have no way of unloading the rolls into the building. We will just leave it stored with the manufacturer and pay the \$3,000 monthly fee that includes insurance on the liner rolls. Mr. Rush asked Mr. Barnes to check on the dimensions and insurance for using the GFL building and report back next month.

Engineer's Report: Steve Bostic

Mr. Bostic updated the board on the engineering projects going on at the Landfill (see attachment).

Mr. Bostic asked Mr. Barnes to clean out the aerator to get the ammonia concentrations down because they are going up.

Mr. Bostic stated that they were waiting for the buffer results to complete pay app #6 to ETTL it should be done on Monday. Mr. Barnard from ETTL stated that the back access road will have

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to be moved 100 to 150 yards as soon as possible. That is why we need to get the new road paved so the public can start using it.

Mr. Sliger stated that the initial expansion permit application review by TDEC has resulted in a Notice of Deficiency (NOD) letter with around 11 pages of items that must be addressed by LDA. He asked Mr. Bostic when LDA would have responses to the NOD ready to send back to TDEC since it could take up to two weeks to complete. Mr. Bostic stated that LDA should be able to get the updates done in two weeks, and that was their goal to get the drawings sent back to TDEC for review. The NOD was a little more than we expected, and at best it will take TDEC at least 6 to 9 months to approve the permit if everything is correct. We have a little less than two years before we run out of airspace in Class I. Mr. Bostic stated he would request another meeting with TDEC to go over the drawings. We are looking at around a year before we will be able to use the expansion. Mr. Rush expressed concerns about how long it could take to get approval from TDEC and that we should plan ahead to evaluate when the engineering design and permit process should start for any future expansions needed for the Class III.

Ms. Hemminger stated that pay app #6 has \$470,000 in retainage that is not included in the total of Mr. Bostic's list. Mr. Bostic stated that they would be reviewing pay app #6 and should have it ready to pay on Monday.

We are currently around \$2 million over budget.

Unfinished Business: Chris Cutshaw

Mr. Cutshaw stated that the county agreed that HCMSWB could have the interest earned on the bond for around \$300,000, and he would confirm this with Amanda Hale when she returned to work. Mr. Cutshaw stated that he would contact Andrew Ellard at the city and talk to him about the city allocating interest earned to the HCMSWB from their bond. Mr. Cutshaw has talked to Chris Bessler at Cumberland Securities about borrowing more money, but that would probably cause an increase in tipping fees, which we do not want to consider right now.

New Business: Curtis Morrison

Mr. Morrison stated that Rodefer Moss has issued an unmodified audit opinion which is a clean opinion. The financial numbers and notes represent where The Landfill stood on June 31, 2024. With regards to internal control, nothing stands out, there were no significant changes. Assets and Liabilities both increased significantly due to the city and county bonds. There was an approximate \$300,000 increase in total operating revenues in 2023, the post closure cost was

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\$219,000, in 2024, it was \$1.6 million. We will not have that going forward. The footnotes disclose the Long-term debt breakdown of how it will be paid back over the years. Ms. Hemminger stated that she had read through all of it with questions and changes before the final copy was released.

Mr. Horner made a motion to approve the fiscal 2023/2024-year end audit by Rodefer Moss and approve the submission of the audit report to the State of Tennessee. Mr. Lacy seconded the motion with all board members in favor.

Adjournment: Tom Rush

Mr. Rush adjourned the meeting at 10:05a.m. Merry Christmas and Happy New Year.

Tom Rush-Chairman

Chris Cutshaw-Mayor




