

Carter County Commission

Minutes of:

Landfill Committee Zoom Meeting

January 4, 2021 6:00 PM



RECEIVED
1-14-2021
@ 8:30 AM

Members:

Sonja Culler - present
Nancy Brown - present
Mark Tester - present
Jerry Proffitt - present

Layla Ward - present
Gary Bailey - present
Mark Blevins - present
Kelly Collins - present

I. Call to Order

The Landfill Committee was called to order by Chairman Gary Bailey at 6:12pm. Roll call shows all members present.

II. Approval of Agenda

A motion to accept the agenda was made by Mark Blevins, second by Jerry Proffitt. All in favor. Motion unanimously passed.

III. Approval of minutes

A motion to approve the minutes from the December 2020 meeting was made by Mark Blevins, second by Nancy Brown. All in favor, motion unanimously passed.

IV. Public Comments

None

V. Old Business

a. Building Updates

The money has been moved into the Landfill budget and set aside for the building. Waiting on the finished report and approval from the fire marshal. RFP will go out this week.

b. Landfill Rates -- report

The attached charts show the reports from Finance Director Brad Burke. He shows three (3) scenarios for the increase. 1) \$51.75; 2) \$52.53; 3) \$55.20. Mr. Burke believed that the reasonable increase would be to \$55.20.

Chairman Blevins stated that the rates have to go up. This increase is just for trash and he would like to do a six-month analysis on the demolition. Director Lyons stated that if the trash and the demolition are not the same it will cause major confusion. People bring in both in the same truck load. It would be a burden to try to separate. Mr. Blevins asked if there could be signage put up letting everyone know that they will need to bring each separate. Mr. Lyons restated that it would be very confusing and a huge burden on some of the customers. If they have had to borrow a truck to bring things to the landfill, they would not want to borrow it twice or make two trips. Chairman Bailey asked if the prices had to be the same for both trash and demo. Mr. Lyons stated again that it would have to be the same.

Mark Tester asked if most of the demolition materials come from the roll offs, can a rate not be increased for those and have a price for trash and private demo materials at another rate. Mr. Lyons stated that the demolition portion of the landfill is making money right now but in five (5) years when there is no more space at the landfill the materials will have to be shipped out. Chairman Bailey stated that the \$55.20 rate increase is the recommendation, and the landfill must be self-sufficient. What would the committee suggest? Sonja Culler is concerned that if the rates are raised too much then people will start throwing their trash out on the side of the road again. Mr. Blevins asked that with what it cost for the county to dispose of the trash and what Blue Ridge pays, isn't the county paying to keep them in business?

Mark Blevins made a motion, second by Jerry Proffitt to raise the rate to \$55.20.

Roll Call:

Gary Bailey – Yes

Sonja Culler – No

Nancy Brown – No

Kelly Collins – No

Mark Tester – Yes

Layla Ward - No

Jerry Proffitt – Yes

Mark Blevins – Yes

With four (4) yes votes and four (4) no votes the motion failed.

Mark Tester stated that the \$55.20 increase is a \$12.70 increase over what is being paid now. There has not been an increase in 12/13 years. The landfill needs to cover the cost and the future closing of the landfill. Chairman Bailey stated that they needed a rate, in 6 months Benny is going to have to ask budget for more money. Chairman Bailey asked Mr. Lyons what he sees as the break-even amount. Chairman Travis Hill asked if the rate could be increased over then next few years. Nancy Brown asked when the city contract would be up. Mr. Lyons stated four (4) years with an option to extend for five (5) more years. Ms. Collins asked Mr. Lyons if money that has been asked for from budget was for his budget or for equipment? Mr. Lyons stated that it was for updating equipment and vehicles. Ms. Culler stated that Benny has equipment that was there when the landfill opened. Chairman Bailey reminded the committee that County Attorney Hardin said that they could not raise rates for one and not another, it must be the same across the board. Mr. Blevins asked what the city pays. Mr. Lyons answered, \$34 and will increase \$.75 on June 1, 2021. Chairman Bailey stated that the city has a negotiated contract, and it has to be honored. Ms. Brown stated that the increase needs to be fair to everyone.

Mark Tester mad a motion, second by Mark Blevins, to raise the rate to \$52.00.

Roll Call:

Gary Bailey – Yes

Sonja Culler – No

Nancy Brown – Yes

Kelly Collins – No

Mark Tester – Yes

Layla Ward – No

Jerry Proffitt – Yes

Mark Blevins – Yes

With five (5) yes votes and three (3) no votes the motion passed.

Mr. Lyons stated that it will have to go to budget and then to full commission but when will this increase go into effect? Chairman Bailey stated that he would have to get with Mr. Burke, but he would like to see it go into effect on March 1, 2021.

Mark Blevins made a motion, second by Mark Tester that if the increase passes in full commission that it will begin on March 1, 2021.

Roll Call:

Gary Bailey – Yes

Sonja Culler – No

Nancy Brown – Yes

Kelly Collins – No

Mark Tester – Yes

Layla Ward – No

Jerry Proffitt – Yes

Mark Blevins – Yes

With five (5) yes votes and three (3) no votes the motion passed.

Loader

Turned in the specs to finance for the RFP, expect it to be put out this week. Chairman Bailey stated that Mr. Lyons is doing a good job but there is so much cardboard he can't fit any more. Mr. Blevins what is the timeline to have it put in. Mr. Lyons answered six (6) weeks.

VI. New Business

None

VII. Directors Report

Mr. Lyons asked to let the report sent out to the committee members stand.

VIII. Commissioner Comments

Ms. Collins asked if Mr. Lyons would check to see when the loader was purchased. Mr. Lyons responded, yes.

Jerry Proffitt started that he was in Johnson County and had several discussions about military surplus equipment that is available. He stated that the equipment would have to be accepted by the Sheriff and then assigned to the agencies for use. He would like to get together with Mr. Lyons to see what is needed. Mr. Lyons responded that he would like that and there were several things on the surplus list that could be used. Mr. Proffitt said that the Sheriff has to be on board.

Mr. Blevins thanked Mr. Proffitt for looking into this for the county.

Chairman Bailey asked Mr. Lyons about the age and replacement cost of some of the equipment in use today.

The track loader is 13 years old and would cost \$240,000 to replace.

They have a new roll off (purchased after the fire) and one that is a 1995 model, to replace, about \$170,000.

Dumpsters need about 10 at \$4000.00 each.

A new tractor trailer truck is about \$120,000.

Ms. Culler stated that if the landfill had been taken care of over the years like other departments we wouldn't be in this situation.

IX. Adjournment

A motion to adjourn was made by Mark Blevins, second by Jerry Proffitt. Meeting was adjourned at 7:05 pm.

Respectfully Submitted by

Gwen Crowe

Carter County, Tennessee
Solid Waste Department
Analysis of Estimated Per Ton Costs for Processing Garbage
Fiscal Year Ended June 30, 2020

Adjusted total of estimated costs does not include closed sanitary landfill (net cost) and demolition landfill. Does not include current year capital asset purchases, and equipment purchased with state grant funds. Non-tipping fee/disposal revenue (Tire Tax and rentals) is a decrease to costs. Includes depreciation expenses.

	Expenditure Category			Total
	Convenience Centers	Landfill	Misc.	
Actual Expenditures	32,661.47	1,634,037.09	14,192.38	1,680,890.94
Less:				
Estimated total current year postclosure cost for closed sanitary landfill (net of City of Eliabethton payments of \$27,985.34)		(47,837.56)		(47,837.56)
Estimated current year cost for Demolition Landfill		(67,262.68)		(67,262.68)
Current year purchases of capital asset purchases		(267,060.52)		(267,060.52)
Current Year costs of capital equipment purchased with grant funds		(37,293.00)		(37,293.00)
Revenue:				
Tire Tax from State		(27,544.07)		(27,544.07)
Rentals		(20,420.18)		(20,420.18)
Add:				
Depreciation Expense	647.78	92,954.19		93,601.97
Adjusted total of estimated costs	33,309.25	1,259,573.28	14,192.38	1,307,074.91
Total tons dumped				25,258.98
Estimated cost per ton				51.75

Adjusted total of estimated costs includes Demolition Landfill and depreciation expense. Does not include estimated costs for closed Sanitary Landfill, current year capital asset purchases, and equipment purchased with state grant funds. Non-tipping fee/disposal revenue (Tire Tax and rentals) is a decrease to costs.

	Expenditure Category			Total
	Convenience Centers	Landfill	Misc.	
Actual Expenditures	32,661.47	1,634,037.09	14,192.38	1,680,890.94
Less:				
Share of estimated postclosure cost for closed sanitary landfill paid by City of Elizabethton		(27,985.34)		(27,985.34)
Estimated current year cost for Demolition Landfill		(67,262.68)		(67,262.68)
Current year purchases of capital asset purchases		(267,060.52)		(267,060.52)
Current Year costs of capital equipment purchased with grant funds		(37,293.00)		(37,293.00)
Revenue:				
Tire Tax from State		(27,544.07)		(27,544.07)
Rentals		(20,420.18)		(20,420.18)
Add:				
Depreciation Expense	647.78	92,954.19		93,601.97
Adjusted total of estimated costs	33,309.25	1,279,425.50	14,192.38	1,326,927.12
Total tons dumped				25,258.98
Estimated cost per ton				52.53

Adjusted total of estimated costs includes Demolition Landfill, closed Sanitary Landfill (net of amounts paid by City of Elizabethton), and depreciation expenses. Non-tipping fee/disposal revenue (Tire Tax and rentals) is deducted.

	Expenditure Category			Total
	Convenience Centers	Landfill	Misc.	
Actual Expenditures	32,661.47	1,634,037.09	14,192.38	1,680,890.94
Less:				
Share of estimated postclosure cost for closed sanitary landfill paid by City of Elizabethton		(27,985.34)		(27,985.34)
Current year purchases of capital asset purchases		(267,060.52)		(267,060.52)
Current Year costs of capital equipment purchased with grant funds		(37,293.00)		(37,293.00)
Revenue:				
Tire Tax from State		(27,544.07)		(27,544.07)
Rentals		(20,420.18)		(20,420.18)
Add:				
Depreciation Expense	647.78	92,954.19		93,601.97
Adjusted total of estimated costs	33,309.25	1,346,688.17	14,192.38	1,394,189.80
Total tons dumped				25,258.98
Estimated cost per ton				55.20

Purpose - To present estimated costs associated with one ton of garbage.

Source - Skyward Revenue and Expenditure Reports for 2019-20, monthly billings from Advance Disposals, Capital Asset records, discussions with Director of Solid Waste,

Conclusion - In my opinion, the most reasonable estimated cost per ton is \$55.20 based on fiscal year 2019-20 operations.