## Minutes Cumberland County Board of Commissioners October 25, 1999, 5:00 PM Special Meeting

**PRESENT:** Chairman

Thomas B. Bacote

Vice

Chairman, Ed Melvin

Commissioner Talmage S. Baggett

Commissioner Breeden Blackwell

Commissioner Billy R. King

Commissioner H. Mac Tyson II

Commissioner J. Lee Warren, Jr.

Strassenburg, County Manager

Martin, Deputy County Manager

Spiller, Assistant County Manager

Barrett, County Attorney

Raynor, Deputy Clerk

Cliff

James

Jarries

Cliff

Grainger

Rhonda C.

This special meeting was called to receive and consider a proposal from Total Recovery Systems, International for a long-term agreement with Cumberland County for solid waste volume reduction.

<u>BACKGROUND:</u> The purpose of the special meeting is to provide Total Recovery Systems International (TRSI) the opportunity to present and explain their proposal for developing a municipal solid waste volume

reduction facility at the Ann Street Landfill. Management has met with TRSI officials on several occasions and believes their financial and landfill impact projections are reasonable.

RECOMMENDATION/PROPOSED ACTION: If the Board is comfortable with TRSI's proposal, the appropriate action is to authorize management and the County Attorney to negotiate a proposed contract with TRSI for the Board's consideration.

Mr. Steve Racoosin, the Chief Operating Office for Total Recovery Systems International introduced those who would be assisting him with the presentation to the Board of Commissioners. They were: William D. (Bill) Cook, Director of Civil Engineering, Dresser Engineering; Dr. Michael Eley, Professor, University of Alabama at Huntsville; and Greg Spiro, CEO. Mr. Racoosin advised all patents have been secured for this system. TRSI has raised private equity to finance and construct several facilities. He believes Cumberland County can be the showpiece for the rest of the world. TRSI would build a Total Recovery Facility or "TRF". Cellulose will be produced from the municipal solid waste received at the landfill. This operation will not produce electricity. Cellulose can be used to combine with other products to make lumber. The waste will not need to be segregated with this process as it was in other processes used in the past. The main goal of this process will be to reduce the landfill volume. It will also create a lot of new jobs for Cumberland County. TRSI is in the municipal solid waste processing business.

The Cumberland County Landfill will still bury waste. The container sites and Hazardous Waste Facility will remain as they are and continue to operate.

A video showing the process was then played for the Board.

Mr. Racoosin noted there is no discharge from the facility. The process makes trash into a clean, bacteria-free usable product. He noted they currently have the capability to process tires and medical waste but will not include that in their program in Cumberland County at this time.

Dr. Michael Eley then addressed the Board. Dr. Eley explained how the system would operate. He has been working to develop this system since 1983. They are at a stage where they are prepared to move into Cumberland County's facility and use on a broad commercial basis. They will

take municipal solid waste just as it is currently taken to the Ann Street Landfill facility. They may separate some large bulky material from the waste. All the other material will be processed without the need to be handled by humans. The waste will be placed into a vessel. It will then be closed and injected with live steam. The steam will be applied at 55 pounds per square inch of pressure. This will be done for at least 35 minutes. This is more than what is required for sterilization. Pulp, paper, food and soft yard waste will be co-mingled into a uniform material when the process is complete. The released steam is captured and then treated and reintroduced. It could also be used as boiler feed water. The material is then released. They want to have four vessels at the Cumberland County facility. Once the process is complete some manual separation can then be done. The separation can be done by a machine. Some plastics may need to be separated by hand. Other materials not currently recyclable will be residual and go into the landfill. They hope to be able to recycle all materials in the future.

Mr. Bill Cook, Dresser Engineering project manager presented the findings of the economic and technical feasibility study of this facility in Cumberland County. TRSI owns this process. No significant odors or dust will be emitted by this facility. There will be no hazardous emissions or environmental pollution from this facility. The facility will extend the life of the landfill by approximately forty-seven percent. It will allow operating costs to be maintained at current levels. It will provide the County with potential revenue and new jobs. The facility will operate on the same schedule as the county landfill. The facility will import municipal solid waste from other states. Without a waste stream from outside the County, this project would not be economically feasible. Even with the import of municipal solid waste there will still be a reduction in the material going into the landfill. The County will benefit from disposal fees, host fees and amortization of landfill costs. The County will lose approximately \$1.5 million in tipping fees but will have a net revenue gain of approximately \$330,000 per year. The major risks include the following: TRSI and Cumberland County must still successfully negotiate a mutually beneficial contract, TRSI must secure the appropriate quantity and quality of waste stream, TRSI must secure the appropriate outlets for the recovered desirable materials and all renovations to the facility must be completed.

County Attorney Grainger Barrett suggested TRSI explain how the new facility would affect the current operations.

Mr. Racoosin stated the existing scales would be used. The municipal solid waste (MSW) would go into the eastern end of the old building and then go to the old processing facility and the new tip floor. The MSW would be processed and what would not be processed would go into the existing landfill. Those employees would continue to do what they do now to handle what goes into the landfill.

Commissioner King noted the presentation stated "no significant odors" from the facility. Will there be some odors?

Dr. Eley advised there would be odor from the incoming waste stream. There is not a whole lot you can do about the smell of raw garbage. There will not be an odor from what has been processed.

Commissioner King asked what type of salaries the added employees will have.

Bill Cook advised the Plant Manager would make between \$40,000 & \$50,000 per year. Persons operating the vessels would earn approximately \$25.00 per hour. Other workers would earn from \$10.00 to \$15.00 per hour and office staff would earn approximately \$25,000 per year.

Commissioner Melvin noted his concern with approximately 600 tons of waste being imported. That is twice as much as what is currently coming to the landfill on a daily basis.

Mr. Racoosin stated TRSI would not bring in one pound of outside waste until the process is successful in Cumberland County. The waste will meet federal guidelines. No open trucks will be allowed to haul the waste. After Cumberland County's solid waste is handled, they will then deal with what is imported. The byproducts will go back on the cars that come into the facility.

Commissioner Melvin asked if Cumberland County would only see an income of \$330,000 from this project and when would the tipping fee increase.

Mr. Spiro stated the total host fee is approximately \$900,000. The \$330,000 was the positive cash flow. The tipping fee will be capped for five years. The proposal is to fix it for five years at \$17.00 per ton.

Commissioner Melvin asked what would happen after five years.

Mr. Spiro stated the increase would not be enormous. It will be marketrelated and possibly linked to the CPI.

Mr. Barrett noted the fee would be mutually acceptable between the County and TRSI.

Commissioner Melvin noted his main concern is the impact this may have on the household fee charged on the County tax bill.

Commissioner Warren asked how many other facilities like this are being operated.

Dr. Eley advised the one in Cumberland County would be the first commercial facility. They do have some prototypes operating in other areas.

Commissioner Warren asked why Cumberland County was chosen.

Mr. Racoosin stated the process began 22 months ago. TRSI was looking for a facility that had been shut down. Cumberland County was chosen for its close proximity to the airport. They studied many power generation facilities but they were not successful. Tip fees on the East Coast are rising more so than on the West Coast. An impact will be seen on the East Coast five to ten years before it will on the West Coast. He also liked the people he worked with here in Cumberland County. They were very knowledgeable and good to work with.

Chairman Bacote noted his concerns about a contract that will import solid waste. He is also concerned about hazardous waste. He wants to make sure state regulations and guidelines are met.

Mr. Racoosin stated major controls would be in place. No hazardous waste will be brought in. The waste will be inspected before it is loaded onto the train. They have the right to reject and return any load. The State has to inspect all loads. The County can also reject whatever they want to.

Commissioner Blackwell asked how long it would take to cover the major risks indicated in the presentation.

Mr. Cook advised if they move forward from this point, they hope to have a contract negotiated by Christmas. They could begin in January or the first of February. It is possible to be on-line by this time next year. TRSI feels that they are close enough that most conversations could make for an agreeable contract.

Commissioner Blackwell asked if TRSI has contacted the North Carolina environmental engineers.

Mr. Cook advised TRSI's first stop was in Raleigh at the State Environmental agency. They were pleased to hear about this process. They covered the environmental issues and feels they have the agency's support.

Commissioner Blackwell stated he would like to move slowly in this process and see that it is environmentally safe and that it works well. He then asked Mr. Strassenburg's opinion of the process, its costs and benefits.

Mr. Strassenburg stated his impression of the concept is very favorable. It is not tremendously mechanical or high-tech. It is much like a pressure cooker. As much as he understands it, he feels good with the environmental issue. Management ran the numbers presented to them with regard to the impact on the landfill and they are comfortable with them. The County will have no increased costs and will save landfill life. The County will have performance standards in the contract. If TRSI doesn't meet expectations the County will have to be reimbursed.

Commissioner Blackwell asked if there would be any reduction in the number of employees currently working at the landfill.

Mr. Strassenburg stated there would be no reduction in force as there will be industrial products that will have to be taken to the landfill. TRSI will pay a tipping fee for dumping their residue into the landfill.

Commissioner Blackwell asked if the County had explored any other options.

Mr. Strassenburg advised that when the BCH project closed, other companies expressed interest but they have "fallen by the wayside". He knows there are import waste concerns, but you can think of this as a manufacturing process. Cellulose is manufactured from the MSW. All sorts of things can be manufactured from the cellulose. They will be turning MSW into a useful product. He thinks the County needs to be looking for a better

way to dispose of our MSW. All the risk is on TRSI.

Commissioner Baggett stated he believes this technology works, but is concerned there will not be a market for the cellulose. If the County is just going to end up burying the cellulose created from garbage that has come from outside the County, he does not see the benefit to Cumberland County.

Mr. Strassenburg noted that issue would be covered in the contract with TRSI.

Commissioner Baggett also stated he feels a public hearing should be held.

MOTION: Commissioner Baggett offered a motion to proceed with negotiations with TRSI, but that a public

hearing be held before any action is taken.

**SECOND:** Commissioner Tyson

DISCUSSION: Commissioner Tyson noted the County Manager's comments that his perception of this project was very favorable. The County has an opportunity to bring jobs in that make \$30,000 per year. He does not feel TRSI will continue if there is no market for the cellulose. He suggests the County move forward with a contract. He asked if this process could handle medical waste, as the County hospital will soon be renewing its contract for disposal of medical waste. He also asked if TRSI could handle tires.

Mr. Racoosin advised they can handle medical waste and tires, but it is TRSI's decision not to handle these two types of material at this time because they want to take this process slowly.

Dr. Eley advised that if TRSI only buried all the cellulose created from this process, (which is not their intention), there would be considerably less wear and tear on the landfill's equipment.

Cellulose layers deeper and compacts tighter than municipal solid waste. TRSI can produce a business that will purchase the cellulose. Commissioner King asked if the host fee is negotiable.

Mr. Character king asked in the host fee is negotiable

Mr. Strassenburg advised everything is negotiable.

Chairman Bacote noted the entire country is trying to figure out how to handle solid waste. He hopes we can decide to look at this matter further.

Commissioner Melvin stated his main concern is the import of 600 tons of MSW and how it may increase in the future.

COMMISSIONER BAGGETT CALLED FOR THE QUESTION.

Greg Spiro advised there is a cap on the amount of MSW that can be brought into Cumberland County. There is no intention to go over importing approximately 600 tons of MSW. Even if all the cellulose is buried the County will still experience a massive reduction in what is being placed in the landfill. TRSI is contracting to take care of the County's 300 tons of MSW first. Under the contact, TRSI cannot bring in waste until they have a market for the cellulose. TRSI will have certificates from the areas where the MSW is imported from certifying there is no hazardous waste. If they receive any waste they specifically said they would not accept, they will stop taking waste from that entity. A problem could occur, but it will only happen once.

Mr. Barrett stated the County would enter into negotiations with TRSI and would prepare a proposed contract, which would be the basis of the public hearing.

VOTE: Favor: Commissioners Blackwell, Tyson, Melvin,

Bacote, Warren and Baggett

**Oppose: Commissioner King** 

Meeting adjourned 6:20 PM.

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