



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Financial Assurance Section
Davy Crockett Tower, 6th Floor
500 James Robertson Parkway
Nashville, TN 37243
615-969-7931

TDEC.Financial.Assurance@tn.gov

The Honorable Tanya Martin
Mayor of the City of Alcoa
223 Associates Blvd.
Alcoa, Tennessee 37701-1943

The Honorable Ed Mitchell
Mayor of Blount County
341 Court Street
Maryville, Tennessee 37804

The Honorable Andy White
Mayor of the City of Maryville
404 West Broadway
Maryville, Tennessee 37801-4710

RE: 2025 Annual Inflation Adjustment of the Financial Assurance for *City of Alcoa, City of Maryville, and Blount County Landfills*, Permits Nos. **DML050000091** and **SNL050000105** *Original, Vertical & Lateral Expansion Phases 1-7*, as required by the Regulations of TDEC's Division of Solid Waste Management

To whom it may concern:

All county and municipal "Contracts of Obligation in Lieu of Performance Bonds" must be adjusted annually for inflation by no later than the anniversary date of the issuance of the contract.

Rule Chapters 0400-12-01-.06(8) and 0400-11-01-.03(3) state that the inflation adjustment may be made by recalculating the closure and/or post-closure cost estimate in current dollars or by using an inflation factor derived from the most recent Implicit Price Deflator for the Gross National Product published by the U. S. Bureau of Economic Analysis in its Survey of Current Business.

The staff of TDEC's Division of Financial Assurance, utilizing data published by the U. S. Bureau of Economic Analysis, has projected the inflation factor to be used for **2025** inflation adjustments is **2.40%**. The permitted facility and/or TDEC may reserve the right to adjust this figure later based upon revised data released by the U. S. Bureau of Economic Analysis during the year.

Effective immediately, any County or Municipal Contract of Obligation in Lieu of Performance Bond incurring an annual inflation adjustment shall not be processed by amendment until the cumulative amount of the adjustment(s) equals or exceeds TEN THOUSAND DOLLARS (\$10,000.00). This is a change from the previous threshold of Five Thousand Dollars (\$5,000.00). For example, if the inflation adjustment is \$4,000.00 in year one, \$5,000.00 in year two, and \$6,000.00 in year three, the amendment will be processed in year three when the total of adjustments exceeds \$10,000.00. We will continue to send your inflation adjustment figures annually for your records whether or not a contract amendment is required.

Please review the amount(s) for each permit listed below. If any changes or modifications to your permit(s) have occurred, please contact us as soon as you receive this letter. The due date(s) and projected amount(s) for the inflation adjustment(s) of your financial instrument(s) are as follows:

2025 Inflation Adjustment(s)

Facility Permit #:	Financial Instrument Type & #:	Financial Instrument Anniversary Due Date:	Present Amount of Financial Assurance On File:	Inflation Adjustment/ Increase Required:	Inflation Adjustment and Allowable Post-Closure Reduction:	Total Required Amount of Financial Assurance:
DML050000091 (Entire Landfill)	Contract	03/01/2025	\$ 2,595,125.54	\$ 348,859.41	\$ 0.00	\$ 2,943,984.95
SNL050000105 Original, Vertical & Lateral Expansion Phases 1 - 7	Contract	01/10/2025	\$ 12,788,501.92	\$ 1,796,843.04	\$ 0.00	\$ 14,585,344.96

Please see the attached spreadsheets, which list in detail the amount of financial assurance required due to the **2025** annual inflation adjustment and/or post-closure reduction (if applicable) for your permit(s). The spreadsheets also list the current amount of financial assurance on file for each permit.

PLEASE NOTE

- (1) If you currently have a financial assurance instrument on file with TDEC that was issued by a Commercial Financial Institution, that institution may consider this letter as TDEC's authorization for it to change the amount of the financial instrument(s) to the amount(s) specified in this letter for the specific permit(s) as listed.**
- (2) If you have been advised by the TDEC Field Office that the required post-closure activities at a permitted site listed herein have not been performed to the satisfaction of the TDEC Field Office Staff, do not reduce your financial assurance instrument until the TDEC Field Office has approved the performance of the required post-closure work.**

If you have any questions, please send an e-mail to TDEC.Financial.Assurance@tn.gov, or call 615-969-7931. Please submit the inflation adjusted financial instrument(s) to the TDEC Division of Financial Assurance email address listed on the letterhead as indicated above.

Respectfully,



Jennifer Gelfand
TDEC Division of Financial Assurance

Enclosures: Annual Inflation Letter, Amendments to Contract of Obligation in Lieu of Performance Bonds, Customer Information Spreadsheet

CC: Kelly Hembree, Solid Waste Manager, The Aloca/Maryville/Blount County Landfill
Revendra Awasthi, Manager, TDEC Division of Solid Waste Management, Knoxville Field Office

**Amendment of Contract of Obligation in Lieu of Performance Bond (City and County)
Department of Environment and Conservation, Division of Solid Waste Management**

1. This amendment is made by the City of Alcoa ("the City"), the City of Maryville ("the City") the County of Blount ("the County") and the Tennessee Department of Environment and Conservation ("the Department") to the Contract of Obligation in Lieu of Performance Bond for proper operation, closure and/or post-closure of the City of Alcoa, City of Maryville, and Blount County Demolition Landfill, Permit Number DML050000091 entered on or about 03/01/99 ("the Contract").
2. Paragraph 3 of the Contract is amended by deleting the language in the paragraph and substituting the following language, which shall constitute Paragraph 3 of the Contract:

The total penal sum of this contract is:

\$ 2,943,984.95
3. Except as set forth in this amendment, or another prior amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms. If there is any conflict between this amendment and the Contract or any earlier amendment, the terms of this amendment shall control.
4. A copy of this amendment shall be filed with the Commissioner of the Tennessee Department of Finance and Administration.
5. All signatories to this amendment warrant that they have actual authority to enter this amendment on the terms contained herein.
6. This amendment shall be effective upon signature by all parties by a person authorized to bind each party. The Department shall note the Effective Date upon all signatures.

On Behalf of the City of Alcoa

Printed Name: Tanya Martin

Title: Mayor

Date: _____

On Behalf of the City of Maryville

Printed Name: Andy White

Title: Mayor

Date: _____

On Behalf of the County of Blount

Printed Name: Ed Mitchell

Title: Mayor

Date: _____

On Behalf of the Tennessee Department of Finance and Administration

Jim Bryson, Commissioner
Tennessee Department of Finance and Administration

Date: _____

On Behalf of the Tennessee Department of Environment and Conservation

David W. Salyers, P.E., Commissioner
Tennessee Department of Environment and Conservation

Date: _____

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Department of Environment and Conservation, Division of Solid Waste Management**

1. This amendment is made by the City of Alcoa ("the City"), the City of Maryville ("the City") the County of Blount ("the County") and the Tennessee Department of Environment and Conservation ("the Department") to the Contract of Obligation in Lieu of Performance Bond for proper operation, closure and/or post-closure of the City of Alcoa, City of Maryville, and Blount County Sanitary Landfill, Permit Number SNL050000105 Original, Vertical, & Lateral Expansions (Phases 1 -7) entered on or about 01/10/99 ("the Contract").
2. Paragraph 3 of the Contract is amended by deleting the language in the paragraph and substituting the following language, which shall constitute Paragraph 3 of the Contract:

The total penal sum of this contract is:

\$ 14,585,344.96
3. Except as set forth in this amendment, or another prior amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms. If there is any conflict between this amendment and the Contract or any earlier amendment, the terms of this amendment shall control.
4. A copy of this amendment shall be filed with the Commissioner of the Tennessee Department of Finance and Administration.
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On Behalf of the City of Alcoa

Printed Name: Tanya Martin

Title: Mayor

Date: _____

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