



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Division of Financial Assurance
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Ave., 10th Floor
Nashville, TN 37243
(615) 532-0851

December 13, 2021

The Honorable James Mayberry
City of Crossville Mayor
392 North Main Street
Crossville, Tennessee 38555-4232

RE: 2021 Annual Inflation Adjustment of the Financial Assurance for the *City of Crossville Sanitary Landfill*, Permit No. **SNL180000206** as required by the Regulations of the Division of Solid Waste Management

Dear Mayor Mayberry:

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. Department of Commerce, Bureau of Economic Analysis, in its Survey of Current Business.

The staff of the Division of Financial Assurance, utilizing data published by the U. S. Department of Commerce, Bureau of Economic Analysis, has projected the inflation factor to be used for **2021** inflation adjustments as **1.25%**. The amount of your financial assurance instrument(s) from the **Year 2020** must be multiplied by **1.0125**. The permitted facility and/or the Department may reserve the right to adjust this figure later based upon revised data released by the U. S. Department of Commerce, 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 a contract amendment is required or not.

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:

2021 Inflation Adjustment(s)

| Facility Permit No. | Financial Instrument Type & No. | 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 |
|---------------------|---------------------------------|---|---|---|---|--|
| SNL180000206 | Contract | 10/27/21 | \$ 324,406.23 | \$ 0.00 | \$ 61,637.18 | \$ 262,769.05 |

Please see the attached spreadsheets, which list in detail the amount of financial assurance required due to the **2021** 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

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 Field Office Staff, do not reduce your financial assurance instrument until the Field Office has approved the performance of the required post-closure work.

Please submit the inflation adjusted financial instrument(s) to the Division of Financial Assurance to my attention at the address listed on the letterhead as indicated above. If you have any questions, please call me at (615) 253-6367, or you may email me at Erini.Ryad@tn.gov.

Very Respectfully,

Erini Ryad

Erini Ryad, Financial Analyst

Enclosures: Customer Information Data Sheet, Summary Spreadsheet, Detailed Financial Assurance Information

CC: Nicholas Stengel, Manager of Solid Waste Management, Cookeville Field Office, TDEC

For Department Use Only
Effective Date: _____

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

1. This amendment is made by the City of Crossville (“the City”), and the Tennessee Department of Environment and Conservation (“the Department”) to the Contract of Obligation in Lieu of Performance Bond for proper operation and/or post-closure of the City of Crossville Sanitary Landfill, Permit Number SNL180000206 entered on or about 10/27/99 (“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:

\$ 262,769.05
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 Crossville _____

Printed Name: _____
Title: _____
Date: _____

On Behalf of the Tennessee Department of Finance and Administration

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: _____