

MEMORANDUM



To: Mr. Bob White, Virginia's Region 2000 Local Government Council
Ms. Teresa Nuckols, Amherst County
Mr. Clarke Gibson, City of Bedford
Mr. Clif Tweedy, Campbell County
Ms. Susan McSwain, Nelson County
Mr. Dave Owen, City of Lynchburg

CC: Lynn Klappich, Draper Aden Associates

From: Scott Pasternak, R. W. Beck

Subject: **Alternative Landfill Evaluation**

Date: October 27, 2006

Per direction from Ms. Lynn Klappich of Draper Aden and Associates, R. W. Beck is pleased to submit the updated draft "Alternative Landfill Evaluation" for your consideration. We have updated the draft based on our conference call last week.

In reviewing the attached draft, we would mention that, as requested, we have developed the evaluation to provide you all with a preliminary analysis of the issue, and it is not intended to serve as a detailed or final analysis.

Section 1

ALTERNATIVE LANDFILL EVALUATION

1.1 Introduction

The purpose of this analysis was to develop a preliminary assessment of changing the role that the Amherst County Landfill may have in the Regional Entity. This analysis examines the financial feasibility for the Regional Entity to operate the Amherst County and Lynchburg landfills concurrently.

R. W. Beck has analyzed two scenarios to provide Region 2000 with a preliminary estimate what impact these scenarios will have on the participating communities. The two scenarios vary based on the incremental tonnage increase into the Amherst County Landfill. R. W. Beck developed the analysis the following two scenarios based on the following waste flows to the Amherst County and Lynchburg Landfills.

1. Scenario 1: The Amherst County Landfill receives waste from Amherst County and Nelson County (43,918 total tons for the first year), while the Lynchburg Landfill receives waste from Lynchburg, Campbell County and the City of Bedford (218,362 total tons for the first year).
2. Scenario 2: The Amherst County Landfill receives waste from Amherst County (30,301 total tons for the first year), while the Lynchburg Landfill receives waste from Nelson County, Lynchburg, Campbell County and the City of Bedford (231,963 total tons for the first year).

Prior to the completion of this analysis, R. W. Beck developed a memo for Region 2000 that summarized the assumptions to be included in the analysis. A copy of this memo is attached for reference. R. W. Beck would emphasize that this analysis should only be used for general planning purposes, as the purpose of the evaluation was to provide a general assessment of the financial feasibility of the scenarios. If Region 2000 has further interest in either of the two scenarios presented in this analysis, more detailed financial analysis would need to be completed.

1.2 Key Findings and Recommendations

1. In the 2006 report for Region 2000, R. W. Beck projected that the cost for the Regional Entity landfill would be \$23.91 per ton for FY 2008. For this analysis, the overall cost for FY 2008 increases slightly to \$24.17 per ton for Scenario 1 and \$24.48 per ton for Scenario 2. However, it is significantly more expensive on a per ton basis to operate the Amherst County Landfill, as compared to the Lynchburg Landfill, which is primarily due to the tonnage differences. Table 1-1 summarizes costs for Scenarios 1 and 2, as well as the costs for the original

regional concept and the regional concept without the inclusion of Amherst County.

2. As shown in Table 1-6, the cost for disposal at the Amherst County Landfill is \$31.90 per ton in Scenario 1 and \$41.22 per ton in Scenario 2. This compares to \$41.92 for the status quo.
3. Based on the analysis included in this memo report, the City of Lynchburg, Campbell County, Nelson County and the City of Bedford all benefit from participating in the Regional Entity even if Amherst County does not. The “Regional Entity without Amherst” column in Table 1-1 provides the cost estimate for the Regional Entity if Amherst County elects not to participate in the Regional Entity. The amount in Table 1-1 does not account for the reduced capacity of the regional landfill system if Amherst County does not participate in the Regional Entity. R. W. Beck estimated a \$0.53 per ton contribution to a reserve fund (adjusted annually for inflation) would offset the financial impact of this reduced capacity.
4. Site life for regional disposal will decrease for Scenarios 1 and 2, as compared to the original regional disposal concept. The Regional Entity will incur additional costs due to this loss of capacity. R. W. Beck estimated the financial impact of this decreased site life for Scenario 1 and included the results in Table 1-2 (“Per Ton AUF Equalization Fee” row). The intent of this surcharge was to offset the financial impact of lost site-life for the City of Lynchburg, Campbell County, Nelson County and the City of Bedford.
5. By operating the Amherst County Landfill and the Lynchburg Landfill concurrently, the Regional Entity incurs additional operating costs which are then passed on to the participating communities. In order to offset this increase, Amherst County would need to pay an operational surcharge.¹ The “Total Operational Surcharge” and “Per Ton Operational Surcharge” rows in Table 1-2 provide the amount of the surcharge.
6. Even after accounting for the surcharges described in #4 and #5, Amherst County still receives a significant benefit from participating in the Regional Entity. In fact, on a percentage basis, Amherst County will achieve the highest percentage decrease in its per ton disposal cost.
7. Although the disposal costs for the City of Lynchburg, Campbell County, Nelson County and the City of Bedford would not be negatively affected if Amherst County is not included in the Regional Entity, there are other benefits for all to have Amherst County participate in the Regional Entity. These benefits include the regional planning and cooperation to provide other aspects of solid waste management aside from the operation of landfills (e.g., collection, household hazardous waste management, recycling, planning, etc.).
8. R. W. Beck would emphasize that this analysis has been conducted for preliminary evaluation purposes only. We would recommend that more detailed analysis be completed prior to committing to a specific disposal plan.

¹ This operational surcharge was developed at the request of Staff.

Table 1-1
Summary Comparison

	Scenario 1 Total	Scenario 2 Total	Regional Entity without Amherst	Original Regional Concept
Personnel	\$ 1,111,804	\$ 1,111,804	\$ 948,407	\$ 948,407
Active Landfill O&M	\$ 1,790,162	\$ 1,790,162	\$ 1,348,158	\$ 1,348,158
Inactive Landfill O&M	\$ 70,150	\$ 70,150	\$ 70,150	\$ 99,458
Landfill Equipment	\$ 626,090	\$ 626,090	\$ 568,596	\$ 568,596
Capital Expenditures (Acquisition of Existing Capital, Landfill Development, Capital Improvements)	\$ 1,750,659	\$ 1,841,955	\$ 1,577,206	\$ 2,511,616
Financial Assurance	\$ 566,840	\$ 555,998	\$ 334,402	\$ 372,775
Reserve	\$ 372,819	\$ 372,819	\$ 372,819	\$ 372,819
Environmental Remediation	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total	\$ 6,338,524	\$ 6,418,978	\$ 5,269,738	\$ 6,271,828
Tonnage	262,264	262,264	231,963	262,264
Cost Per Ton	\$ 24.17	\$ 24.48	\$ 22.72 ^[1]	\$ 23.91

[1] This amount represents the cost per ton for the Regional Entity to operate the regional landfill in FY 2008. However, this amount does not reflect the financial impact of the reduced regional landfill life associated with excluding the Amherst County landfill from the Regional Entity. An annual contribution to a reserve fund could offset the reduced capacity of the regional landfill system. For FY 2008, R. W. Beck estimated this additional amount to be \$0.53 per ton, for a total of \$23.25 per ton.

**Table 1-2
Summary Comparison**

	Amherst County	City of Bedford	Campbell County	City of Lynchburg	Nelson County
Regional Entity Cost					
FY 2008 Tonnage	30,301	4,030	47,932	166,400	13,602
Original Per Ton Cost from 2006 R. W. Beck Report	\$ 23.91	\$ 23.91	\$ 23.91	\$ 23.91	\$ 23.91
Per Ton Operations Surcharge ^[1]	\$ 2.20	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Per Ton AUF Equalization Fee ^[2]	\$ 1.20	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Subtotal	\$ 27.31	\$ 23.91	\$ 23.91	\$ 23.91	\$ 23.91
Per Ton Transfer Station and Transportation Cost	\$ 0.00	\$ 61.86	\$ 0.00	\$ 0.00	\$ 23.04
Total	\$ 27.31	\$ 85.77	\$ 23.91	\$ 23.91	\$ 46.95
Status Quo Cost per Ton (FY 2008)	\$ 41.92	\$ 92.13	\$ 33.36	\$ 24.64	\$ 59.25
Estimated Financial Benefit					
Per Ton	\$ 14.61	\$ 6.36	\$ 9.45	\$ 0.73	\$ 12.30
Percentage Cost Savings Per Ton	34.9%	6.9%	28.3%	2.9%	20.8%
Annual Value (FY 2008)	\$ 442,698	\$ 25,631	\$ 452,957	\$ 121,472	\$ 167,305

[1] Represents the amount paid by Amherst County to the other participating communities to offset the increased cost to the other communities for the Regional Entity to operate the Amherst County Landfill simultaneously with the Lynchburg Landfill. This offset would be paid by Amherst County since it directly benefits by keeping its landfill open for its use and by limiting the traffic to/from the Amherst County Landfill.

[2] Based on direction from Region 2000, R. W. Beck has assumed that the airspace utilization factor (AUF) at Amherst County Landfill will be 1,400 pounds per cubic yard. The financial amount is intended to represent the amount Amherst County would need to contribute per ton to offset the lost landfill capacity to the Regional Entity by not being able to use the Amherst County Landfill as a regional landfill. Amount is based on the incremental cost the Regional Entity would incur for the period of time when the Regional Entity would have been able to use existing landfills as compared to the decrease in site life which accelerates the timing of when the Regional Entity will need to implement its next disposal method. This analysis assumes that the Regional Entity will build a transfer station and transfer the waste to a landfill outside of Region 2000. Cost estimates were based on the 2005 report that R. W. Beck completed for Region 2000. If the AUF for the Amherst County Landfill would decrease, the amount of the AUF equalization fee would increase. For example, an AUF of 1,200 pounds per cubic yard would equal \$1.67 per ton, and an AUF of 1,000 pounds per cubic yard would equal \$3.10 per ton. Since the actual AUF will be determined based on future operations, R. W. Beck would recommend that the Regional Entity evaluate this issue periodically and make appropriate adjustments. This issue may need to be addressed in the legal documents that create the Regional Entity.

1.3 Landfill Capacity Analysis

The following tables summarize the landfill capacity analysis for the three landfills for the two scenarios. The total site life for regional disposal amount represents the number of years that the Lynchburg and Campbell County landfills would be able to accept waste. R. W. Beck would note that the airspace utilization factor (AUF) for the Amherst County Landfill was assumed to be 1,400 pound per cubic yard as compared to the 1,550 pound per cubic yard amount used in the 2006 R. W. Beck report. The amount of the AUF was based on direction from Region 2000. There was also an understanding that the actual AUF will only be determined after the Regional Entity begins operations. R. W. Beck would recommend that the Regional Entity periodically assess the AUF. AUF should be calculated as follows:

$$\text{AUF} = \frac{\text{Waste Disposed (in tons)} \times 2,000 \text{ pounds per ton}}{\text{Total Airspace Consumed}}$$

Table 1-3
Scenario 1 Landfill Capacity

	Open Date	Closure Date	Operating Life
Lynchburg	July 2007	April 2014	6.8
Campbell	April 2014	March 2023	8.9 ^[1]
Amherst	July 2007	January 2020	12.5
Total Site Life for Regional Disposal	July 2007	March 2023	15.7

[1] R. W. Beck assumed that when the Amherst County Landfill closes in January 2020, the tonnage that was being disposed at Amherst County Landfill would be diverted to the Campbell County Landfill.

Table 1-4
Scenario 2 Landfill Capacity

	Open Date	Closure Date	Operating Life
Lynchburg	July 2007	November 2013	6.3
Campbell	November 2013	November 2022	9.0
Amherst	July 2007	July 2025	18.0
Total Site Life for Regional Disposal	July 2007	November 2022	15.3

1.4 Regional Entity Operational Cost Allocation Between the Lynchburg and Amherst County Landfills

Some of the Regional Entity budget will benefit the operation of both the Lynchburg and Amherst County landfills. Thus, there is a need to allocate these operational costs between the Lynchburg and Amherst County landfills. The following table summarizes budget categories where there is a need for allocation and the basis for the allocations.

Table 1-5
Cost Allocation

Budget Category	Percentage Allocated to Amherst County Landfill		Basis for Allocation
	Scenario 1	Scenario 2	
Management Personnel	17 %	12 %	Proportional to tonnage split
Landfill Equipment	9 %	9 %	Difference between baseline Regional Entity operational cost and the changing role for Amherst County
Amherst County Capital	100 %	100 %	Capital costs accounted for in the Regional Entity budget
Reserve	17 %	12 %	Proportional to tonnage split
Environmental Remediation	17 %	12 %	Proportional to tonnage split

1.5 Amherst County Landfill Financial Analysis

The following describes the changes made to the financial analysis. Table 1-6 provides the annual budget amount for each of the categories discussed in this section.

1.5.1 Equipment

R. W. Beck calculated the equipment costs needed if both the Lynchburg and Amherst County Landfills were operated simultaneously by the Regional Entity. R. W. Beck then compared the equipment costs to the costs developed for the April 2006 R. W. Beck report. The incremental increase in these equipment costs served as the basis for the amount attributed to the Amherst County operation. This primarily

involves replacing the current Amherst County compactor and the Campbell County compactor in the future. The annual amount totaled \$57,494.²

1.5.2 Active Landfill Operations and Maintenance

This category includes the operations, maintenance and administrative categories from the original Amherst County Landfill Budget.

Operations

The Regional Entity and Amherst County will need to decide whether to continue to use a contractor to operate the Amherst County Landfill. Given the preliminary nature of this analysis, R. W. Beck assumed that the cost for the Regional Entity would be equal to the current cost for the contractor (with an adjustment to account for changing personnel to become Regional Entity staff). Several of the key services provided by the contractor include the following:

- Purchase, operations and maintenance of a track-loader and dump truck;
- Operations and maintenance of the 816 compactor;
- Materials needed for the maintenance of areas within the landfill;
- Use of a water truck;
- Snow removal;
- General site maintenance (e.g. mowing); and
- Cleaning of leachate collection lines and laterals.

If the Regional Entity decides to further evaluate this issue, R. W. Beck could complete additional analysis to provide an understanding of the cost for the Regional Entity to assume the responsibilities provided by the contractor.

Since leachate hauling would be provided by Regional Entity staff and equipment, this annual cost would be expected to decrease. Based on discussions with Amherst County staff, the projected leachate disposal cost for this year is \$160,000 based on hauling and disposal of four million gallons. For this analysis, R. W. Beck assumed that the Regional Entity would be able to dispose of 50 percent of the leachate through its own staff and equipment, but that there would be a need to rely on a contractor for the other 50 percent. The cost would be \$13,420 for the internal operations and \$80,000 for the contractor.

² Actual equipment costs are likely higher than this amount due to the need for Amherst County to use auxiliary equipment (e.g. pick-up trucks, tractors, leachate hauling truck, etc.). However, these costs are not likely to have a material impact on the overall financial analysis. If needed, this analysis could be completed on a more detailed basis if a decision is made to move forward with the concept of operating the Amherst County and Lynchburg landfills concurrently.

Table 1-6
Amherst County Scenarios

	Scenario 1			Scenario 2		
	Amherst County Budget	Regional Entity Budget	Total	Amherst County Budget	Regional Entity Budget	Total
Personnel	\$ 176,945	\$ 53,998	\$ 230,943	\$ 176,945	\$ 37,269	\$ 214,214
Active Landfill O&M	\$ 442,004	\$ -	\$ 442,004	\$ 442,004	\$ -	\$ 442,004
Inactive Landfill O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landfill Equipment	\$ -	\$ 57,494	\$ 57,494	\$ -	\$ 57,494	\$ 57,494
Capital Expenditures (Acquisition of Existing Capital, Landfill Development, Capital Improvements)	\$ -	\$ 349,173	\$ 349,173	\$ -	\$ 264,749	\$ 264,749
Financial Assurance	\$ 250,045	\$ -	\$ 250,045	\$ 221,595	\$ -	\$ 221,595
Reserve	\$ -	\$ 62,409	\$ 62,409	\$ -	\$ 43,074	\$ 43,074
Environmental Remediation	\$ -	\$ 8,370	\$ 8,370	\$ -	\$ 5,777	\$ 5,777
Total	\$ 868,994	\$ 531,444	\$ 1,400,438	\$ 840,545	\$ 408,363	\$ 1,248,907
Tonnage			43,903			30,301
Cost Per Ton			\$ 31.90			\$ 41.22

Maintenance

No changes were made within this budget category.

Administrative

No changes were made within this budget category.

1.5.3 Inactive Landfill Operations and Maintenance

This category does not apply to the Amherst County landfill for this analysis.

1.5.4 Capital

Capital costs are accounted for in the Regional Entity budget. The amount of \$349,173 for Scenario 1 and \$264,749 for Scenario 2 includes debt payment for existing assets and development of future cells.³ Debt service schedules were adjusted to correspond to the useful life of the Amherst County Landfill.

1.5.5 Financial Assurance

R. W. Beck adjusted the annual savings amount based on the amount of time that the landfill would remain open, which was based on the annual tonnage amounts. The annual savings rate totaled \$250,045 for Scenario 1 and \$221,595 for Scenario 2.⁴

1.5.6 Reserve

R. W. Beck assumed that a proportional amount of the Regional Entity reserves would be paid by the Amherst County operation. This amounted to \$61,863 for Scenario 1 and \$42,799 for Scenario 2.

1.5.7 Environmental Remediation

R. W. Beck assumed that a proportional amount of the Regional Entity reserves would be paid by the Amherst County operation. This amounted to \$8,370 for Scenario 1 and \$5,777 for Scenario 2.

1.5.8 Financial Summary

Table 1-4 summarizes the FY 2008 annual costs for the operation of the Amherst County landfill as a part of the Regional Entity for Scenarios 1 and 2.

³ Debt payment for existing assets is included since the Regional Entity will purchase the landfill from Amherst County.

⁴ These amounts assume that Amherst County contributes to the Regional Entity its share of accrued financial assurance liability.

1.6 Lynchburg Landfill Financial Analysis

The following describes the changes made to the financial analysis. Table 1-7 provides the annual budget amount for each of the categories discussed in this section.

1.6.1 Personnel

R. W. Beck assumed that a proportional amount of the Regional Entity management staff would be paid by the Amherst County operation. This resulted in reductions for the Regional Entity portion of \$53,998 for Scenario 1 and \$37,269 for Scenario 2.

1.6.2 Equipment

R. W. Beck calculated the equipment costs needed if both the Lynchburg and Amherst County Landfills were operated simultaneously by the Regional Entity. R. W. Beck then compared the equipment costs to the costs developed for the April 2006 R. W. Beck report. The incremental increase in these equipment costs served as the basis for the amount attributed to the Amherst County operation. The annual amount totaled \$57,494.⁵

1.6.3 Active Landfill Operations and Maintenance

No changes were made within this budget category.

1.6.4 Inactive Landfill Operations and Maintenance

Since Amherst County Landfill will not have inactive landfill costs for leachate disposal, environmental monitoring or site maintenance, these costs were removed from the Regional Entity budget. These costs are accounted for as a part Amherst County's operation as an active landfill.

1.6.5 Capital

Capital costs are accounted for in the Regional Entity budget. The amount of \$349,173 was transferred from the Regional Entity Budget; it includes debt payment for existing assets and development of future cells. Capital improvements (e.g., new scale house, road improvements, mothballing, etc.) for the Amherst County landfill were removed from the financial model. R. W. Beck updated the debt service schedules to correspond to the updated site lives of the landfills.

⁵ Actual equipment costs are likely higher than this amount due to the need for Amherst County to use auxiliary equipment (e.g. pick-up trucks, tractors, leachate hauling truck, etc.). However, these costs are not likely to have a material impact on the overall financial analysis. If needed, this analysis could be completed on a more detailed basis if a decision is made to move forward with the concept of operating the Amherst County and Lynchburg landfills concurrently.

Table 1-7
Regional Entity Scenarios

	Scenario 1			Scenario 2		
	Amherst County Budget	Regional Entity Budget	Total	Amherst County Budget	Regional Entity Budget	Total
Personnel	\$ -	\$ 880,862	\$ 880,862	\$ -	\$ 897,591	\$ 897,591
Active Landfill O&M	\$ -	\$ 1,348,158	\$ 1,348,158	\$ -	\$ 1,348,158	\$ 1,348,158
Inactive Landfill O&M	\$ -	\$ 70,150	\$ 70,150	\$ -	\$ 70,150	\$ 70,150
Landfill Equipment	\$ -	\$ 568,596	\$ 568,596	\$ -	\$ 568,596	\$ 568,596
Capital Expenditures (Acquisition of Existing Capital, Landfill Development, Capital Improvements)	\$ -	\$ 1,401,486	\$ 1,401,486	\$ -	\$ 1,577,206	\$ 1,577,206
Financial Assurance	\$ -	\$ 316,795	\$ 316,795	\$ -	\$ 334,402	\$ 334,402
Reserve	\$ -	\$ 310,409	\$ 310,409	\$ -	\$ 329,744	\$ 329,744
Environmental Remediation	\$ -	\$ 41,630	\$ 41,630	\$ -	\$ 44,223	\$ 44,223
Total	\$ -	\$ 4,939,086	\$ 4,938,086	\$ -	\$ 5,170,071	\$ 5,170,071
Tonnage			218,362			231,963
Cost Per Ton			\$ 22.61			\$ 22.29

1.6.6 Financial Assurance

R. W. Beck adjusted the annual savings amount based on the amount of time that the Lynchburg landfill would remain open, which was based on the annual tonnage amounts.

1.6.7 Reserve

R. W. Beck assumed that a proportional amount of the Regional Entity reserves would be paid by the Amherst County operation. This reduced the Regional Entity budget amount by \$62,409 for Scenario 1 and \$4,074 for Scenario 2.

1.6.8 Environmental Remediation

R. W. Beck assumed that a proportional amount of the Regional Entity reserves would be paid by the Amherst County operation. This reduced the Regional Entity budget amount by \$8,370 for Scenario 1 and \$5,777 for Scenario 2.

1.6.9 Financial Summary

Table 1-7 summarizes the FY 2008 annual costs for the operation of the Regional Entity for Scenarios 1 and 2.

1.7 Nelson County Marginal Transportation Cost Analysis

To help Nelson County evaluate its options, R. W. Beck evaluated the marginal cost that Nelson County may incur with respect to which landfill its waste would go to via transfer trailer. Based on information provided by the participating communities, it is approximately four miles further from the Nelson County Transfer Station to the Lynchburg Landfill than to the Amherst County Landfill. While the distance to the Lynchburg landfill is further, the travel time is expected to be relatively similar since the speed limits on roads leading into the Amherst County Landfill are much lower than the last few miles of the route into the Lynchburg Landfill. Based on this analysis, R. W. Beck would expect that the transportation cost to either landfill would be very similar.

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To: Mr. Bob White, Virginia's Region 2000 Local Government Council
Ms. Teresa Nuckols, Amherst County
Mr. Clarke Gibson, City of Bedford
Mr. Clif Tweedy, Campbell County
Ms. Susan McSwain, Nelson County
Mr. Dave Owen, City of Lynchburg

Thru: Lynn Klappich, Draper Aden Associates

From: Scott Pasternak, R. W. Beck

Subject: **Amherst County Analysis: Assumption to Include**

Date: September 15, 2006

The purpose of this memo is to summarize the assumptions and issues that will need to be addressed in order for R. W. Beck to update the financial feasibility analysis based on the requested changes from Amherst County, as detailed in a September 5, 2006 letter, to Virginia's Region 2000 Local Government Council from the Amherst County Administrator.

We would request that you all please review this memo prior to our conference call on September 22, 2006, as we would like to receive comments and approval to proceed with completing this analysis on behalf of Virginia's Region 2000 Local Government Council.

Assumptions

1. The scenarios to be evaluated will vary based on where each participating community will send its waste. R. W. Beck will develop the following two scenarios based on the following waste flows to the Amherst County and Lynchburg Landfills. We will develop waste projections based on analysis previously completed by R. W. Beck.
 - a. Scenario 1: The Amherst County Landfill receives waste from Amherst County and Nelson County, while the Lynchburg Landfill receives waste from Lynchburg, Campbell County and the City of Bedford.
 - b. Scenario 2: The Amherst County Landfill receives waste from Amherst County, while the Lynchburg Landfill receives waste from Nelson County, Lynchburg, Campbell County and the City of Bedford.
2. For each scenario, R. W. Beck will calculate the cost per ton for each landfill operation and the total cost of the entire regional entity operation;
3. The analysis will be completed on a one-year basis for comparison;

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4. Projections regarding the site life of the Amherst County and Lynchburg landfills will be provided. Projections will be based on analyses included in the 2006 report, including annual disposal amounts from each local government. Airspace utilization factors (AUF) will be the same for the Lynchburg and Campbell County landfills as in the 2006 report. The AUF for the Amherst County landfill be decrease to 1,000 pound per cubic yard since the landfill will not have a significant increase in annual tonnage as the regional facility.
5. Tonnage amounts will be based on the assumption that waste from BFI/Allied will be included, since this is how the 2006 report was completed;
6. The regional entity will effectively operate both the Amherst County and Lynchburg Landfills;
7. The analysis will be based on development and usage of all permitted capacity at the Amherst County Landfill, which would include trenches A, B, C, D and E.
8. The following capital improvements will not be required at the Amherst County Landfill, and will be removed from the financial analysis:
 - a. Mothballing costs;
 - b. Transition of equipment, scales, supplies;
 - c. Isaak Walton Road widening;
 - d. New site entrance;
 - e. New scale house;
 - f. Scale relocation;
 - g. On-site road improvements; and
 - h. New equipment maintenance building.
9. The Amherst County Landfill will not have inactive landfill costs for leachate disposal, environmental monitoring or site maintenance. However, these costs will be accounted for as a part Amherst County's operation as an active landfill based on the amounts included in the 2005 R. W. Beck analysis.
10. Costs for the Amherst County Landfill will be based on the financial analysis that R. W. Beck completed in the 2005 report (including an update made for Amherst County in 2006 to account for existing debt service). R. W. Beck would expect to complete analyses to make the following adjustments to the Amherst County Landfill budget:
 - a. Some employment positions (potentially solid waste director, account clerk and/or landfill attendant) will not be required as they will be provided by the regional entity. Employment positions will include one scale house attendant, two operators, and 1.5 landfill attendants. Staff will be based on each person

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- needing to be at the landfill 40 hours per week, as the number of hours the landfill is open will be decreased to approximately 36 hours per week;
- b. It is our understanding that that equipment from the Campbell County Landfill can be used in the next 3 - 4 years at the Amherst County Landfill, but there will likely be a need to save additional funds to prepare for the future equipment needs after using the Campbell County equipment;
 - c. Leachate hauling will be completed by the regional entity, as described in the 2006 R. W. Beck report;
 - d. Assuming that the current operations contract can be terminated by July 2008, the current operations contractor will be replaced by staffing and management from the regional entity. Employment positions will include one scale house attendant, two operators, and 1.5 landfill attendants. Staff will be based on each person needing to be at the landfill 40 hours per week, as the number of hours the landfill is open will be decreased to approximately 36 hours per week.
11. Costs for the Lynchburg Landfill will be based on the financial analysis that R. W. Beck completed in the 2006 report. R. W. Beck would expect to complete analyses to make the following adjustments to the regional entity landfill budget:
- a. No adjustments will be made for staffing and equipment based on the decrease in tonnage;
 - b. We will review the total number of site maintenance workers to determine how many would be needed with two operating landfills (Amherst County and Lynchburg) and one inactive landfill (Campbell County);
 - c. No changes will be made to the site development schedule and capital improvement plan for the Campbell County and Lynchburg Landfills;
 - d. Closure and post-closure costs will be adjusted proportionally relative to the decrease in waste at the Lynchburg Landfill that will go to the Amherst County Landfill;
12. No other changes will be made to the capital expenditures and landfill equipment budget amounts as a part of this initial analysis;
13. Amounts for reserves and environmental remediation will not change.
14. To assist Nelson County in understanding potential tradeoffs between use of either the Amherst County or Lynchburg Landfills, we will provide a general understanding of the potential marginal increase in hauling costs to go to Lynchburg instead of Amherst County. This analysis will only provide a planning level understanding, as the actual marginal costs would be determined based on bids from a private contractor.