

Appendix F

**Communication from
Waste Connections, Inc.**

July 15, 2009

Richard,

Thank you for returning my call regarding our interest in challenging the relative cost to transport solid waste from Yamhill County to the Wasco County Landfill. I would like to speak to you again about this report so you can evaluate alternate options for Yamhill County.

Wasco County Landfill is providing this information to you as a clarification of costs to long haul solid waste to more distant landfills. We do not have any reason to conclude that the Riverbend Landfill is not providing Yamhill County with environmentally sound and cost effective disposal services. On the contrary, we believe Riverbend has provided valuable services to Yamhill County and the Metro Region.

I would like to introduce our landfill to you as background.

Wasco County Landfill (WCL) is sited on the eastern slopes of the Cascade Mountains in The Dalles, Oregon. Like other eastern Oregon Landfills, WCL benefits from the lack of significant rainfall and distant groundwater. Generally, the long-term benefits of operating a landfill in a dry climate outweigh any advantage to operating in the rainy high water table regions in Western Oregon. It's not to say you shouldn't operate landfills on the western slopes of the Cascades, however, it is more environmentally protective to operate in Eastern Oregon.

WCL is located adjacent to dry land farming and cherry orchards. We have countywide support and have recently received a new 8-year Oregon DEQ permit extension. We have not heard any comments about loss of property values nor have we had odor complaints. I estimate that we have a few hundred people living within 1-mile of our landfill.

Regarding the Drennan, I offer the following information for your consideration:

- WCL disagrees with several items included in the report and feel information omitted from the report would greatly change the conclusions, which were reached.
- We operate transfer stations that top-load long haul trailers capable of carrying 30-tons of solid waste. There is no need to install compactors at a transfer station in Yamhill County. In fact, a traditional "Transfer Station" often includes areas for operations other than those currently provided by replacing the in-county landfill. These operations may include recycling or household hazardous waste management. When evaluating options for existing services, we believe comparative costs for equivalent services is essential. Otherwise the will not be an "apples for apples" comparison. Within Yamhill County, a combination of the Newberg Transfer Station and McMinnville Transfer Station designed to top load trailers is efficient and cost effective.
- The cost of a simple Transfer Station (TS) designed to be equivalent to the services provided by Riverbend Landfill is minimal. If additional recycling, HHW and other services are added, the TS cost increases. In a purely comparative analysis for landfill equivalency, the TS construction and operation cost should be approximately \$6-7/ton.
- The Drennan report does not include the cost of transporting solid waste from Newberg to Riverbend Landfill. This cost would be saved if the waste were directed to WCL.
- Solid waste collectors and locals currently travel to the landfill individually. The "cost" of these trips would be saved if a centrally located TS were constructed. Consolidated 30-ton loads of solid waste to a landfill reduce these trips and improve the environmental footprint of the solid waste system. This savings was excluded from the Drennan report.

- The Drennan report states that the WCL disposal cost is \$32.47 per ton. This, in fact was the WCL gate rate at the time of the report. Like Waste Management and Republic Services (Coffin Buttes), WCL negotiates a competitive Disposal Agreement with Counties requesting transport and disposal services. WCL is very interested in working with, or responding to, a Request for Proposal to provide long haul transport and disposal services that fit their long-term objectives. Like Riverbend Landfill, WCL would include providing funds to support local solid waste infrastructure and service needs, if requested.

Finally, I would like to comment on the report's conclusion that replacing Riverbend Landfill's operation with a long-haul disposal operation to Wasco would increase the system cost to Yamhill County by 250%. Based on our experience providing long haul transport and disposal services in the Northwest, I can assure you that the cost of exporting solid waste to Wasco County Landfill will not increase those costs by 250%. An increase in cost to those levels must have included many more services than those currently provided. While Wasco County Landfill's transport and disposal cost may initially be slightly higher than Riverbend, perhaps \$5 to \$8 per ton higher, the County's waste will be managed in a dry climate having exceptional environmental protection that should provide long-term savings in environmental mitigation costs. I hope this information is useful to your investigation. We are always available to answer your questions.

Dean Large

Waste Connections Inc.
PO Box 61726
Vancouver, WA 98666
Office: 360-695-4858
Cell: 360-608-3902
Fax: 360-695-5091

Dean,

I have a few questions as to the numbers you reported to Mr. McPhillips and to Yamhill County (via Richard Hertzberg). My questions are in blue font:

- We operate transfer stations that top-load long haul trailers capable of carrying 30-tons of solid waste. There is no need to install compactors at a transfer station in Yamhill County. In fact, a traditional "Transfer Station" often includes areas for operations other than those currently provided by replacing the in-county landfill. These operations may include recycling or household hazardous waste management. When evaluating options for existing services, we believe comparative costs for equivalent services is essential. Otherwise the will not be an "apples for apples" comparison. Within Yamhill County, a combination of the Newberg Transfer Station and McMinnville Transfer Station designed to top load trailers is efficient and cost effective.

Thirty tons loads? Capable and actual mean two different things in this instance. Has Waste Connections consistently pulled 30 tons loads of mixed **MSW** in a non-compacted, open top trailer? I would be very interested how this is achieved.

- The cost of a simple Transfer Station (TS) designed to be equivalent to the services provided by Riverbend Landfill is minimal. If additional recycling, HHW and other services are added, the TS cost increases. In a purely comparative analysis for landfill equivalency, the TS construction and operation cost should be approximately \$6-7/ton.

Please send me the pro-forma you used to arrive at a \$6 to \$7 per ton cost for transfer costs and the assumed tonnage. This is a build, design, and operate for a transfer station that handles no more than 75,000 tons of MSW per year. I am also assuming this \$7 dollar per ton transfer station will be able to load the trailers to 30 tons?

- The Drennan report does not include the cost of transporting solid waste from Newberg to Riverbend Landfill. This cost would be saved if the waste were directed to WCL.

So no transport costs will be incurred from Newberg to The Dalles? The distance from Newberg to Riverbend LF is 20 miles. The distance from Newberg to The Dalles is 109 miles. What is the expected cost to transport waste from Newberg to the Wasco County Landfill in The Dalles?

- The Drennan report states that the WCL disposal cost is \$32.47 per ton. This, in fact was the WCL gate rate at the time of the report. Like Waste Management and Republic Services (Coffin Buttes), WCL negotiates a competitive Disposal Agreement with Counties requesting transport and disposal services. WCL is very interested in working with, or responding to, a Request for Proposal to provide long haul transport and disposal services that fit their long-term objectives. Like Riverbend Landfill, WCL would include providing funds to support local solid waste infrastructure and service needs, if requested.

So what would be the expected **range** of savings from a multi-year contract off the current gate rate at Wasco County for 75,000 annual tons of MSW?

Finally, I would like to comment on the report's conclusion that replacing Riverbend Landfill's operation with a long-haul disposal operation to Wasco would increase the system cost to Yamhill County by 250%. Based on our experience providing long haul transport and disposal services in the Northwest, I can assure you that the cost of exporting solid waste to Wasco County Landfill will not increase those costs by 250%. An increase in cost to those levels must have included many more services than those currently provided. While Wasco County Landfill's transport and disposal cost may initially be slightly higher than Riverbend, perhaps \$5 to \$8 per ton higher, the e County's waste will be managed in a dry climate having exceptional environmental protection that should provide long-term savings in environmental mitigation costs. I hope this information is useful to your investigation. We are always available to answer your questions.

The current gate rate at Riverbend is \$28 per ton for MSW. Are you implying that Waste Connections can transfer, transport, and dispose of MWS for \$36 per ton? (\$28 + the perhaps \$8). Please clarify.

Chris Bell

Wasco County Landfill

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503/288-7844
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July 30, 2009

Richard Hertzberg
Zia Engineering
1700 Woodland Terrace
Lake Oswego, OR 97034

Dear Mr. Hertzberg,

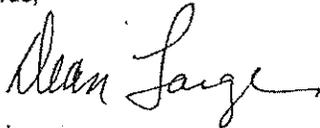
On behalf of Waste Connections, Inc., I am pleased to comment on the report prepared for Yamhill County by J. R. Miller and Associates ("Miller Report") on disposal alternatives to Riverbend Landfill.

It is our firm opinion that the Miller Report incorrectly calculates the cost of long-haul transport and disposal required when using landfills such as our Wasco County Landfill to replace services currently provided by the Riverbend Landfill. We do not accept as reasonable the Miller Reports conclusion that replacing Riverbend Landfill's disposal services with disposal services provided by Wasco County Landfill will increase solid waste costs in Yamhill County by 250%. Examples of specific assumptions in the Miller Report that are significant to the Report's cost assumptions and not applicable when delivering waste to Wasco County Landfill include the need to install an expensive compactor to obtain maximum road-legal loads and the need to construct a large, expensive Transfer Station for the handling of the solid waste shipped to the landfill. Including cost elements such as these artificially and dramatically increases the apparent cost to long-haul waste. Further, while the "gate rate" at Wasco is reported accurately, a lower "disposal rate" is always negotiated with our long-term customers.

Wasco is not currently prepared to provide an accurate comparison of costs, however, we will be pleased to do so upon request through an RFP process with Yamhill County. We suggest that future comparative landfill analysis carefully examine the cost of service equal to those currently provided by Riverbend Landfill and exclude all other costs.

If you would like further clarification of our specific concerns, please contact me at 360-608-3902.

Regards,



Dean Large
cc: Joe Wonderlick, WCN

Appendix G

Communication from Waste Not of Yamhill County

WASTE NOT OF YAMHILL COUNTY

June 26, 2009

Richard Hertzberg, Project Manager
Chris Bell, Zia Associate
Tim Raibley, HDR, Inc.
c/o Zia Engineering & Environmental Consultants
1700 Woodland Terrace
Lake Oswego, Oregon 97034

Re: AGREEMENT FOR ALTERNATIVE DISPOSAL OPTIONS ANALYSIS PROJECT

Dear sirs:

Earlier this year, neighbors of the proposed Riverbend Landfill expansion and other interested community members joined to form Waste Not of Yamhill County, a nonprofit corporation. Our goals are not only to oppose the landfill expansion, but also to promote alternative methods of solid waste disposal.

While we are gratified that the Yamhill County Board of Commissioners is sufficiently interested in the County's solid waste stream to commission this study, we are extremely concerned that the study be forward-looking, exploring the wide array of options available, and not be seen as an excuse to fall back on the "tried and true" and the "proven" -- in other words, to make no changes in solid waste disposal at all.

We are not experts. We are farmers, chemists, lawyers, construction managers, educators, bankers, millworkers. But we have read enough and talked to enough people to know that *now* is the best time, perhaps ever, to exercise creativity and vision with respect to solid waste.

- We have a new regime in Washington, with new concepts of sustainability, energy generation, and "green" development, backed with funds and incentives.
- We have local waste disposal contracts -- in Yamhill and Marion County and in Metro, which covers Portland and environs -- expiring in the near future, leading to the possibility of cooperation on a regional scale, either in a stand alone waste disposal system or as an overlay over local recycling or other efforts.
- We have an energized community that understands that decisions made today are effectively decisions made in 2034, when an expanded landfill would be "full." If we want change at any point between 2009 and 2034, we need to make it now.

Waste Not recognizes that the decision whether to allow expansion of the existing landfill is a land use matter not within the scope of your study. Nevertheless, we are hopeful that your work will bring coherency to the Commissioners' ability to see into the future so that they have a realistic idea of what the waste disposal landscape could look like in 2034.

To this end, we have compiled two lists: one of parameters our "dream study" would include, and a list of some of the waste disposal options we've investigated. These, along with Joshua Ferguson's detailed study of some gasification applications, are enclosed.

We ask you to consider them all, and not be too quick to find "fatal flaws" in any proposal. There is no reason Yamhill County could not be a "demonstration county" or host a pilot project. If you restrict alternatives to those already "proven," waste disposal will always be relegated to landfills and incineration, neither of which, we submit, would pass a "fatal flaw" analysis if it were a new concept today. Please also note that plasma arc technology passed the St Lucie County, Florida, requirement that waste handling technology be "proven."

A final note: You will be working closely with the County's Solid Waste Advisory Committee. We note that George Duvendack, who manages Riverbend Landfill for Waste Management, sits on that committee. It may be that he will recuse himself from participation in the study. If he does not, we ask for the courtesy of being allowed to participate, as neighbors and community members, alongside him.

We look forward to working with you, in any way that will benefit the County. You can reach me personally at 503-474-9544 or at maczenith@onlinemac.com.

We hope for good things.

Sincerely yours,



Susan Watkins
President, Waste Not of Yamhill County
enclosures

WASTE NOT
OF YAMHILL COUNTY

DATE: May 6, 2009
TO: Yamhill County Solid Waste Advisory Committee
FROM: Susan Watkins, President, Waste Not of Yamhill County
13440 McCabe Chapel Road, McMinnville, Oregon 97128
RE: Review of Proposals Received in Response to Waste Study RFP

In reviewing proposals and recommending a consultant, SWAC should ensure that the study the consultant conducts is global, examining at a minimum:

Alternative disposal methods

Examine each with respect to all categories on list

Zero Waste with "enhanced" recycling (eg, sort all waste material at a "transfer" station and recover everything possible before any material goes to WTE/landfill/etc)

Composting

WTE

Synfuel production

Thermal conversion

Advanced thermal recycling

Biological conversion

Inclusion of woody biomass and/or agricultural waste with MSW

Product stewardship (ie, waste stream reduction at the source, via County procurement decisions and local education)

Combinations of disposal methods

Alternative Sites

Riverbend site (as landfill or as site for another facility)

Existing Metro & Washington County disposal and transfer sites

Sites like underutilized lumber mills, the steel mill and paper mill sites

Existing landfills, both in the region and available elsewhere (Eastern OR, WA)

Other sites with zoning appropriate for proposed use

Land-use impacts of proposed methods/sites

Farm land

Population growth and character

Watersheds

Impacts on/Compatibility with neighborhoods

Aesthetics of any new/expanded/modified facility

Traffic impacts

Noise, light, odor

Animals (attracted to, displaced)

Pathogens/dust/other airborne matter

Waterway impacts - water quality, stream flow, stream deviation, fish & wildlife

Environmental impacts

On-site & within transportation corridors

Emissions

Disposition of residues

Transportation options

Into and out of Yamhill County, including impacts posed by emissions, wear and tear on roads, and impacts on neighborhoods traversed as well as costs

Rail

Biofueled trucks

Centrally-located transfer stations

Regionally-located transfer stations

Economic impacts

Jobs

Fees to users

Income/fees to County

Legal Barriers

Laws/regulations/policies that present barriers or hurdles to desired options

Flow control legislation

Available dollars/incentives

Stimulus funds

"Green" incentives

Scale of solution

Do we need "full-scale" operation?

What can be accomplished with a "demonstration" facility in combination with other methods?

Are the costs and benefits of smaller, scattered facilities (composting, recycling, "pilot" sized or portable WTE, for example) less or more attractive than larger, regional facilities (e.g., centralized composting location, trucking waste to Columbia Ridge), with regard to environmental and economic (jobs, costs) concerns?

Comparison with Riverbend Landfill expansion option

How do proposed options compare to an expanded landfill on the South Yamhill River and its impacts?

Identify trash collection and disposal regions

Should Yamhill County participate in a regional approach to waste collection? Waste disposal?

Should collection and disposal sites be located in the County?

Should sites/facilities be owned or managed by the County?

Decision-making authority/site ownership

Should Yamhill County retain direct control of waste flow within the County? What control can Yamhill County exercise regarding waste flow out of or into the County?

What control should private provider(s) retain?

What fees should facilities/providers remit to Yamhill County?

Interim solutions

Solutions we can use while we gear up for an option that might not be ready by 2014

Potential Partners

The consultant should be asked to work with regional and waste management interests to determine whether partnerships are feasible:

Regional (waste producers/waste handling decision-makers)

Metro
Marion County
Clatsop County
Columbia County
Washington County

Business

Allied Waste
Covanta
Newberg Garbage
TrashCo
Waste Connections
Waste Management, Inc. (RLI)
Western Oregon Waste

Community

Local business
Opposition (to expanding the landfill) groups
Cities and County areas in the target trash collection/disposal regions

Demonstration County Option

The consultant should look at the possibility of making Yamhill County a "demonstration county" for emerging technologies and expanded "low-tech" options like resource recovery. As a demonstration jurisdiction, Yamhill County might invite waste management and waste conversion enterprises to pitch their capabilities to the County. The consultant could provide a framework to enable the County to rationally evaluate the best options for Yamhill County.

WASTE NOT has its own concept of ideal disposal options and priorities and is ready to meet with the consultant to discuss viable options for Yamhill County and the surrounding region.

A sampling of alternative waste disposal methods investigated by Waste Not:

Overview of options

Status list (partial)

Plasma arc companies researched by St Lucie County, Florida

Westinghouse Plasma Corporation projects

Adaptive Arc - has expressed interest in Yamhill County

Composting in Atlanta

Avedore MSW/other power plant in Denmark

Chinese/PREL interest in WTE

Delaware County, NY, composter - has expressed interest in Yamhill County

InEn Tec - has expressed interest in Yamhill County; currently partnering with WMI to process medical waste in Bend, OR

Lane County, OR, food waste to energy (excerpt)

Waste-Away (McMinnville, TN)

San Francisco composting

Terrabon waste-to-gasoline

Proposal for an Alternative Fuel Production Site, Joshua Ferguson, Yamhill County

Appendix H

Communication from Ramsey McPhillips

2

RAMSEY McPHILLIPS
McPHILLIPS FARMS
Since 1862

12/26/08

Observations on the JRMA/DEI Alternative Study

The Planning Commission will review the JRMA/DEI Study (**Exhibit 1**) in their decision to approve or deny the Riverbend expansion application. This is not necessarily a good thing for a variety of reasons.

1. JRMA/DEI was only awarded \$13,500 and 60 days to complete this study. This has made for a flawed analysis in many regards. One can hardly blame them. \$13,500 is very little money and very little time to study alternatives for a half billion-dollar multi-decade solid waste system.
2. It appears from the tone of the study that JRM/DEI is pro landfill expansion. The final statement throws in this pro landfill zinger....

“In our research of the disposal system JRMA/DEI noted a significant amount of waste disposed at the Riverbend landfill is from industrial sources inside Yamhill County. The impact of the increased cost of disposal to these industries as well as all businesses should be considered.”

Any fair minded individual would have a hard time not seeing landfill expansion preference in this statement. It implies alternate forms of disposal from Riverbend will inevitably increase garbage rates. It blurs the quasi-judicial embargo on lobbying the Commissioners for or against the landfill expansion. In purely land-use terms, increased (or decreased rates) are not the factor determining approval... it is whether there are alternatives to Riverbend that do not destroy farmland. Which means the value of farmland takes precedence over the value costs of garbage service. The law is clear and this study should not be making speculative statements that suggest the opposite.

This final statement could have also noted the resulting loss of farming/tourist income which will result should the current disposal operation expand. I guess “all businesses” do not include the farming or vineyards or tourist entities around the landfill. His study was to have been impartial and concluding with only one known contentious economic issue is unfortunate and leading.

Comments made from Doug Drennon who oversaw the study at the recent

Commissioner's hearing suggests that JRMA/DEI is pro landfill (county tape recording available where he states that the new technology of turning trash to fuel is "Frankly, not commercially viable." He includes some alternatives in his study just to quell the "bombarding" "opponents.") Had JRMA/DEI been anti landfill expansion I believe their study would have been skewed the other direction... i.e. the numbers for alternatives would have found justifications to make the tipping fee estimates more "pro-alternative." Bottom line, these numbers are movable depending on what info you wish to include. Only after we put the whole system up to bid, thereby letting the actual vendors and MSW companies compete, will the alternative numbers really be true ballpark. Riverbend is pushing this land use issue now, not the County. Hopefully Yamhill County will take it slow and look at all options before they vote to lock in the landfill expansion with a County land use approval.

3. The JRMA/DEI study states...

"The JRMA/DEI team conducted site visits and interviewed key stakeholders involved in providing solid waste and recycling services to Yamhill County, which included meeting with representatives from Western Oregon Waste (WOW), Newberg Garbage and Recycling Service (NGS), Riverbend Landfill Inc. (RLI) and Yamhill County staff."

The second biggest "stakeholder" is the biggest source of the garbage, Metro. Why were these numbers not vetted thru Metro's multi-faceted Solid Waste team? Metro is constantly studying new technology and the waste flow of our County (because it makes up 20% of their total garbage disposal.) Metro just passed an ordinance specifically adding language that grants that governing body the right to consider capacity issues brought up by Yamhill County before they grant new franchise agreements coming to Yamhill County. (**Exhibit 2**). One alternative is that Yamhill County asks Metro to stop sending its garbage here thereby making the need for a landfill expansion in 2014 mute.

Metro presently transports their garbage to Columbia Ridge from distances comparable to McMinnville (Gorge bound Metro trash is about 30 miles less.) They pay \$47.95/ton (**Exhibit 3**). But this study states today's cost for Yamhill County would be \$70-75/ton. If JRMA/DEI is talking today's costs, why the discrepancy from actual Metro to this Yamhill County estimate? How could 30 miles increase the tonnage rate by \$30.00/ton?

Metro has a transfer station in Forest Grove where their 275,000 tons bound for Yamhill County originates. If we closed Riverbend in 2014 and sent our trash to Columbia Ridge, so then would Metro. Why then would we not reverse this flow and send our 150,000 tons of garbage to their pre existing transfer station rather

than build and operate a new one here? This would save a bulk of the \$22.00/ton charge JRMA/DEI claims is necessary to have our own transfer station. That would bring our costs to go to Arlington (his numbers) to about \$50.00/ton.

4. Waste Management proposed a contract to Yamhill County in 1997 that greatly reduced our garbage rates by taking the garbage to Columbia Ridge. (**Exhibit 4**). Waste Management said it was cheaper to do this then to go to the Riverbend Landfill. This proposal was based on the present Metro contract (runs thru 2019) that the more Metro brings to Columbia Ridge, the more of a discount they get for all the tons. Adding Yamhill County's tonnage reduces both Metro and Yamhill County's tonnage fees. Where is this known option in the JRMA/DEI study? WM once proposed to DROP our tipping fee by \$7.00/ton when transporting it up the Gorge - not raise it \$40.00/ton! Again, in this scenario we could use their pre-existing transfer station in Forest Grove where their waste and our waste could be joined and compacted making the transport cheaper.
5. Joshua Ferguson has been doing an exhaustive study on Alternative waste to fuel systems for Yamhill County. His research does not mesh with the JRMA/DEI study (**Exhibit 5**). JRMA/DEI claims gasification would cost \$125/ton. Why would a proven technology industry pursue an economic model that would cost businesses \$125/ton? Sure enough, I contacted Jeff Surma, the CEO of the gasification company, Inentec, located in Bend, Oregon. He confirmed that his company is commercially viable and ready to come to Yamhill County and bid on our garbage today. No farmland need be destroyed with his system. He claims this would result in tipping fees that would be equal or less than our present \$31.00. He could turn our trash to Ethanol car fuel. This would make Yamhill County a premier production site for getting our nation off foreign oil (**Exhibit 6**). JRMA/DEI says gasification would cost \$125/ton and yet an actual company they have presented numbers for says they are ready to offer a proven system with a Zero tipping fee increase for our specific situation in Yamhill County. This is an alarming aspect of this study and really calls into question the impartiality of JRMA/DEI. The present study sent to the Planning Committee is a rough draft. Perhaps JRMA/DEI would like to re-evaluate their findings before submitting a final draft.
6. And finally, the actual yearly accounting from Marion County shows a 21 million dollar working capital from their Solid Waste Systems. (**Exhibit 7**). Marion County has made millions on less annual tonnage then we receive here in Yamhill County. It would be dereliction of duty for our Commissioners to ignore an adjoining county that enjoys a solid waste financial boon that creates energy. The elected officials of Yamhill County are charged with looking into alternatives before allowing the destruction of farmland. The conflicts by virtue of omission in the JRMA/DEI study imply the options are more expensive than perhaps reality would bear out. It appears that some options not analyzed are BETTER than the present landfill financial situation. The very upside comps of an adjoining county should have been analyzed (or at least mentioned) in the JRMA/DEI study.

Not enough money and not enough time are a legitimate excuse for a short sited, incomplete, and possibly inaccurate analysis of our landfill alternative options. However, a lot of people making important decisions were waiting for this study and now these JRMA/DEI conclusions muddies up the water. One thing is for sure. Even with what appears to be this worst-case cost scenario alternative study, it appears there are many solid waste system alternatives that keep our tipping fees below the State average. Thus the opponents of the application to approve a farmland destroying expansion should find legal recourse in this analysis.

RMcP.

Addendum July 15, 2009

Since this rebuttal was submitted to the Commissioners/Planning Department, a number of landfill hoops have occurred. Most notably, the 14-some hour hearing in which written and oral testimony was submitted to oppose the Riverbend Expansion. In the material submitted is the enclosed letter from Dean Large at Waste Connections, a competitor to WM. In the letter (**Exhibit 8**) Mr. Large refutes many of the Miller/Drennon Conclusions. He points out that the numbers in the Drennon report are compared to Yamhill County's gate-rate (\$30.40) which can vary (as do his) when actual large accounts (including entire counties) are negotiated. Using only \$30.40 cents as the benchmark compression figure and than not using the tipping fees at other facility in a like fashion is a rather glaring inaccuracy of this report. What about transportation costs with in Yamhill County? What about our very poor recycling rates that the state will no doubt mandate we improve... and match to say, Marion County's? That is a cost not mentioned in this report. Mr. Large states in this letter, and in the local papers, that Waste Connections would not increase our garbage rates but a fraction of the cost claimed in the Drennon report. In fact, when interviewed by the News Register, Mr. Large is quoted as stating...

"Long-hauling solid waste out of Yamhill County should not and likely would not increase costs to customers," he said. "In my opinion, it would be a modest increase in price."

Mr. Large should be considered a primary source. His industry insider numbers should be weighted with more teeth than Mr. Miller.

Since I received such favorable written comments from Jeff Surma of INENTEC about his PEM gasification system, Waste Management has suddenly partnered with him (**Exhibit 9**) and seems to be speaking for Mr. Surma by stating his process is no longer viable here as he once stated. Perhaps the value of Mr. Surma's company is less than the loss of the profit margin here in Yamhill County should his system be installed in 5 years. Perhaps it is cheaper for WM to offer INENTEC carrots to go away than to embrace his original claims that he could provided Yamhill County with gasification services at his cost, with little increase to our tipping fees. One will never know but I still believe there

is viability in Mr. Surma's PEM gasification system and that we should hold him to his initial claims by opening up our system to some competitive bidding after the Landfill expansion is denied. Surly, given a fair playing field, Mr. Surma would not entertain a gasification bid that would increase our garbage rates by 125% as is stated in the Drennon report.

I have been traveling around the country visiting communities that have a variety of systems in place that could reasonably be applied here in Yamhill County. One of these systems is Delaware County, MSW Co-Composting Facility in Walton, NY. There is no analysis of this process in the Drennon report and that is an omission of considerable note. We are a farming community and the compost by-products from this system would be a plus for farming instead of the expansion negatives in ag business loss, farmland property value loss and degradation of the soils due to the mining of the top soil from the flood plain to cover the dump and all its trash... not to mention the very negative aspect of the WM purchase of over 800 acres of annexed farmland/potential landfill space with no stated intent as to the long range plans for this very valuable farm land real estate block.

Thank you for considering my observations in your embrace of the flawed Drennon/Miller report.

Ramsey McPhillips

Wasco County Landfill

2550 Steele Rd
The Dalles, OR 97058
541/296-4082
FAX 541/296-6449

March 16, 2009

Ramsey McPhillips
McPhillips Farms
McMinnville, OR 97128

Dear Ramsey McPhillips,

Thank you for your letter to me regarding your interest in Wasco County Landfill's approach to long haul transport and disposal of solid waste in Yamhill County should operations at the Riverbend Landfill cease, and our reaction to the "Yamhill County Financial Analysis of Disposal Options" (YCFA) report issued by JR Miller & Associates (JRMA) and D. Edwards, Inc. (DEI). We understand that you are not only searching for alternatives to Riverbend Landfill's operations in McMinnville, Oregon, but are also interested in alternate energy conversion technologies.

Wasco County Landfill (WCL) is sited on the eastern slopes of the Cascade Mountains in The Dalles, Oregon. Like other eastern Oregon Landfills, WCL benefits from the lack of significant rainfall and distant groundwater. These facts are included in the attached WCL Summary document summarizing our operations. I will repeat information covered in that document here. Generally, the long-term benefits of operating a landfill in a dry climate outweigh any advantage to operating in the rainy high water table regions in Western Oregon. It's not to say you shouldn't operate landfills on the western slopes of the Cascades, however, it is environmentally protective to operate in Eastern Oregon.

WCL is located adjacent to dry land farming and cherry orchards. We have countywide support and have recently received a new 8-year Oregon DEQ permit extension. We have not heard any comments about loss of property values nor have we had odor complaints. I estimate that we have a few hundred people living within 1-mile of our landfill.

Wasco County Landfill is a subsidiary of Waste Connections, Inc. (WCI). WCI's subsidiaries provide collection, transfer station and landfill services throughout the United States. We understand the challenges these operations face and have no reason to believe that the Riverbend Landfill isn't providing the best possible disposal services, given its location. Riverbend supports Yamhill County's Solid Waste system, including providing money for closure and post-closure of old landfills.

Regarding the YCFA report you included with your request for comments, I offer the following:

- WCL disagrees with several items included in the report and feel information omitted from the report would greatly change the conclusions, which were reached.
- We operate transfer stations that top-load long haul trailers capable of carrying 30-tons of solid waste. There is no need to install compactors at a transfer station in Yamhill County. A combination of the Newberg Transfer Station and McMinnville Transfer Station designed to top load trailers is efficient and cost effective.
- The cost of a simple Transfer Station (TS) designed to be equivalent to the services provided by Riverbend Landfill is minimal. If additional recycling, HHW and other services are added, the TS cost increases. In a purely comparative analysis for landfill equivalency, the TS construction and operation cost should be approximately \$6-7/ton.
- The YCFA report does not include the cost of transporting solid waste from Newberg to Riverbend Landfill. This cost would be saved if the waste were directed to WCL.



Wasco County Landfill

Page 2

March 18, 2009
150 Steele Rd
The Dalles, OR 97058
541/296-4082
FAX 541/296-6449

- Solid waste collectors and locals currently travel to the landfill individually. The "cost" of these trips would be saved if a centrally located TS were constructed. Consolidated 30-ton loads of solid waste to a landfill reduce these trips and improve the environmental footprint of the solid waste system. This savings was excluded from the YCFA report.
- The YCFA reports that the WCL disposal cost is \$32.47 per ton. This was the WCL gate rate at the time of the report. Like Waste Management and Republic Services (Coffin Buttes), WCL negotiates a competitive Disposal Agreement with Counties requesting transport and disposal services. WCL is very interested in working with, or responding to, a Request for Proposal to provide long haul transport and disposal services that fit their long-term objectives. Like Riverbend Landfill, WCL would include providing funds to support local solid waste infrastructure and service needs, if requested. So, yes we would participate in Yamhill County inquires for disposal services after 2014.

Finally, I would like to comment on the attached letter to the editor by Liz Dante. Based on my quick review of her letter, I can assure Liz that the cost of exporting sold waste to Wasco County Landfill will not increase her disposal cost 250%. Wasco County Landfill's transport and disposal cost may initially be slightly higher than Riverbend, perhaps \$5 to \$8 per ton higher; however, your waste will be managed in a dry climate having exceptional environmental protection that should provide long-term savings in environmental mitigation costs. I hope this information is useful to your investigation. We are always available to answer your questions.

Sincerely



Dean Large, Sales Manager



Landfill opponents advocate for gasification

Land use — New system could reduce footprint, but Waste Management says that although they're looking at it, technology unproven

DAVID SALE

News Editor, Bend Bulletin
2000-01-01

As Yamhill County government pursues a study of alternatives to expanding the footprint of Riverbend Landfill, neighbors are advocating for a new approach to waste disposal.

Known as gasification, this develop-

ment "re-converts burning waste at 20,000 degrees Fahrenheit, which breaks down all organic material in the waste and converts it to hydrogen and carbon monoxide."

Best of all, it, an alternative disposal technique that's already attracted the attention of Waste Management, Inc., owners of the county landfill.

In March, Waste Management announced a joint venture with Bend-based InEnergie, whose founder adapted plasma incineration — a technology originally considered for disposal of radioactive waste from the Hanford Nuclear Reservation — to commercial use.

"It's pretty appealing," said Ramsey

McPhillips, a leading opponent of the Riverbend expansion, who has been conducting his own research into alternative disposal methods.

Especially intriguing, McPhillips adds, is that the resulting hydrogen and carbon monoxide can be further processed into ethanol, methanol, even synthetic diesel fuel and gasoline, making the landfill a source of alternative

energy. Waste Management has announced plans to do by capturing methane emissions from the existing Riverbend landfill.

"It takes 30 to 50 years for garbage in a landfill to degrade to a solid material," said McPhillips.

"Our process essentially does something equivalent in a matter of seconds," said InEnergie founder Jeff Surman in an interview with the Bend Bulletin newspaper. "We can capture the energy value in waste in seconds rather than years."

But while McPhillips and other opponents worry about neighboring property

“It takes 30 to 50 years for garbage in a landfill to degrade to produce methane. Our process essentially does something equivalent in a matter of seconds.”

Jeff Surman, InEnergie founder

Please see GASIFICATION, pg. A7

Continued from page A1

ers) are hopeful that such technology could find a home in Yamhill County. Waste Management officials caution that such applications are still a ways off.

"We're in a joint venture (with InEnTec) to develop the technology — right now, it's been proven to handle specific types of waste streams, namely medical and commercial waste," said Wes Muir, Waste Management's director of corporate communications. "Residential waste requires a lot more processing and prep work before it can be gasified."

Residential waste, or mixed solid waste, is made up of many types of organic and inorganic materials, as the name implies. Such waste would have to be sorted and likely ground to a uniform size prior to gasification.

Another issue, Muir said, is scalability. While gasifiers presently in operation can handle up to 25 tons a day, a mixed waste operation would have to process at least 175 tons daily to be cost-effective.

While the waste stream coming into Riverbend is more than large enough, gasification would require multiple mills and pre-processing equipment, representing an investment of at least \$150 million, according to Riverbend spokeswoman

Jackie Lang.

"It's one of those projects that's still in the early stages," she said. "A project of that size would require some form of public investment, higher disposal fees, and somehow have the authority to dictate the waste be sent to that facility in order to ensure its success." (Newberg, Garbage, and Western Oregon Waste are not so required by their present franchise agreements with the county.)

McPhillips, however, has received a letter of interest from Surma, indicating that InEnTec itself might fund the capital costs.

Depending on the final project parameters, Surma wrote, InEnTec would typically be willing to build (with available incentives), own and operate the facility itself, so your community would not necessarily be required to pay for the entire system. He added that the firm would expect to receive tipping fees similar to those presently charged to the county for disposal.

Only when the county denies the expansion will InEnTec and Waste Management have incentive to do this, McPhillips said. Waste Management may say InEnTec is not viable at this time, but reject the expansion and then ask the question of viability. (The equipment is expensive, but InEn-

Tec sees the opportunity to make money here as energy generators.

"This gives the county the opportunity to play hardball in negotiations and open up the discussion on rates and expansion," he added.

But while not giving it the green light, Muir refused to rule out gasification as an eventual possibility for Yamhill County.

"We've talked about it with county officials — it's just not ready yet," he said. "This is probably the most promising new technology out there."

For more information, including an instructional video, visit the company's Web site at www.inentec.com.

Appendix I

Article on Waste Management Materials Recovery Facility in Washington County

Waste Management Green C&D Facility

Waste Management opens new "ultra-green" C&D facility

Waste Management of Oregon recently christened an expansive and ultra-green dry-waste recovery facility in Hillsboro. Company management expects that the facility will dramatically increase recycling and reduce landfill waste across Washington County.

The 65,000-square-foot \$10 million facility will collect, sort and reclaim concrete, asphalt, wood and metals.

"This is a significant investment for Waste Management and a reflection of our commitment to advancing sustainability in Oregon," said Dean Kattler, vice president for Waste Management's Northwest Market Area.

Innovative and sustainable design

The new recycling center will also deliver significant energy savings and environmental benefits resulting from its innovative and sustainable features.

Designed and constructed to meet rigorous sustainability standards known as LEED (Leadership in Energy and Environmental Design), the center has a

unique look and operates differently than traditional recycling centers.

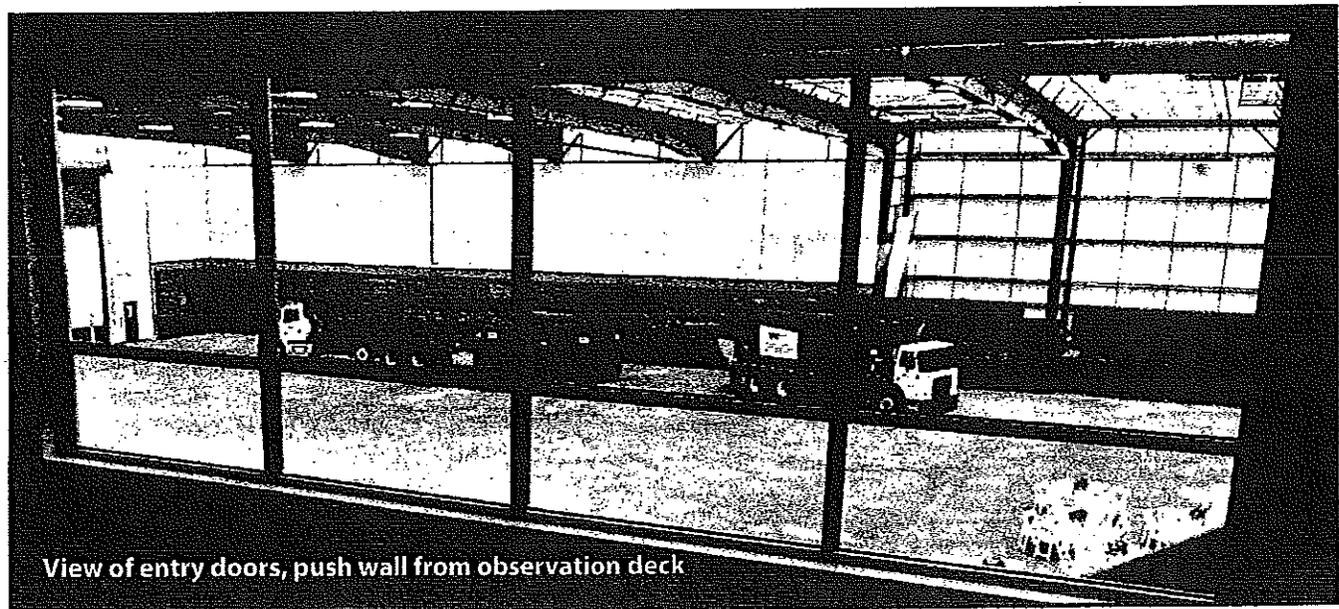
Most distinctive is the massive translucent roof that allows for natural lighting and reduces energy consumption. The roof includes a system to harvest rainwater and store it for later use on site. There is also a powerful ventilation system that circulates fresh air through the facility every ten minutes.

Facility built to comply with new Metro policy

On January 1 of this year, Metro enacted a new policy to further increase the amount of recyclable materials – especially construction and demolition debris – recovered in the Metro region. The Enhanced Dry Waste Recovery Program (EDWRP) was developed in 2007 in consultation with local governments, the solid waste industry and other stakeholders.

EDWRP requires that all mixed dry waste generated in the Metro region be delivered to a material-recovery

continued on next page - >>>



View of entry doors, push wall from observation deck

Waste Management Green C&D Facility



Sort line and translucent roof

opportunity to work in this innovative building and doing something that helps the environment.”

There appears to be a lot of community interest in the new facility as reflected by the number of requests coming in for tours and information. The Sustainability Network of Washington County recently toured the new recovery facility and landfill, as well as the surrounding wetlands, which are home to 100 bird species and mammals, including great blue heron, deer, beaver and rabbits.

WM *continued from previous page*

facility, ensuring that critical recyclable materials such as wood, cardboard and metal are removed from mixed loads before disposal.

The new Waste Management facility was built to respond to this new requirement. Other pre-existing MRFs have also made improvements to their facilities to comply with the new policy.

The Metro requirement for dry waste processing is projected to raise the region's waste recovery rate by 1.25 percent, increasing the current 55.3 percent recovery rate for Multnomah, Clackamas and Washington Counties. The State of Oregon has set a regional recovery goal for 2009 of 64 percent.

Facility operations off to a good start

Waste Management District Manager Dan Wilson reports that waste volumes were about what he expected as the facility got up and running, and that operations are running very smoothly. “The steady volume is serving up the perfect challenge for our new systems and new employees. We have 20 new employees on the job, and teamwork has been remarkable. People are focused and energized about the



The Sort Line

Appendix J

Article on Partnership Between Waste Management and InEnTec

GARBAGE

never smelled so sweet

InEnTec of Bend has partnered with Waste Management Inc. to build its trash-to-gas machines at landfills across the country. The result could be a renewable energy dream — and InEnTec is promising big returns for Central Oregon, in the form of green jobs.

By Andrew Moore
The Bulletin

Two weeks ago, Bend-based InEnTec LLC announced a joint venture with Houston-based Waste Management Inc., a Fortune 500 company with more than \$18 billion in revenues.

While a big step for privately held InEnTec, a small waste-to-energy company that relocated to Bend last year from Richland, Wash., it also promises big returns for Central Oregon.

The new joint venture, called S4 Energy Solutions LLC, will be based in Houston but is opening an office in The Old Mill District, adjacent to InEnTec's office. S4 will eventually employ more than 20 chemical and other engineers, generally earning more than \$100,000 a year, according to Jeff Surma,

a founder of InEnTec and S4's first CEO.

"They are the sort of high-paying green jobs that politicians love to promise, working with technology that turns everyday garbage into fuel and other products without any harmful emissions. But InEnTec hasn't been visited by presidential candidates promoting renewable energy, or sitting senators touting the green spending in the stimulus bill."

"You think it would be the perfect opportunity," joked Surma, who stepped down as InEnTec's CEO two weeks ago to take the same position with S4, though he will stay in Bend.

Perhaps converting garbage into energy isn't as sexy or as simple as harnessing the sun and wind. Rather, Surma chalks up the company's "under the radar" existence to emerging technology — using super-hot plasma to

'Melting' garbage: How it works

InEnTec's Plasma Enhanced Melter, pictured below at the company's research facility in Richland, Wash., converts municipal garbage and other forms of waste into synthetic gas and other products by super-heating and decomposing the organic materials. The process is similar to the one used in the production of synthetic natural gas. The process breaks down organic materials in waste and converts it to hydrogen and carbon monoxide.



A RANGE OF FUELS

The synthetic gas produced by the melter can be used to produce a variety of fuels, including synthetic natural gas, which is a clean-burning fuel that can be used in existing gas pipelines. The melter also produces other products, such as hydrogen and carbon monoxide, which can be used in a variety of industrial processes.

REDUCING GREENHOUSE GAS EMISSIONS

The melter's process is designed to reduce greenhouse gas emissions. The melter uses a plasma arc to break down organic materials, which releases carbon dioxide. However, the melter captures the carbon dioxide and converts it into synthetic natural gas, which is a clean-burning fuel that can be used in existing gas pipelines. The melter also produces other products, such as hydrogen and carbon monoxide, which can be used in a variety of industrial processes.



Waste-to-Energy Solutions

www.inentec.com

1-800-451-4511

10000 S. 10th Street

Richland, WA 99352



Continued from G1

InEnTec's joint venture with Waste Management envisions S4 building InEnTec's Plasma Enhanced Melters at many of the more than 180 landfills Waste Management operates throughout the country.

Waste Management operates landfills in Portland and Seattle. In Central Oregon, the region's landfills are operated by county governments.

That means, for the most part, InEnTec's work will go unnoticed in Central Oregon. But it and S4 are likely to contribute to the region's quality of life — the reason the company relocated here, Surma said — thanks to its high-paying jobs and the promise of growth.

"That's why we're so excited for InEnTec and their announcement," said Roger Lee, executive director of Economic Development for Central Oregon. "Because of all the strategic partnerships they bring in different sectors, developing technology that has huge applications worldwide, if we can concentrate that brain power here, that's going to have lots of spinoff things with it, including this recent announcement. It's exactly what we had hoped to come out of this one company relocating."

Surma first encountered plasma technology in the 1980s at Battelle's Pacific Northwest National Laboratory in Richland, where he found work after earning a chemistry degree from the University of Minnesota and a master's degree in chemical engineering from Montana State University.

Plasma technology then was primarily being researched for its feasibility in processing radioactive waste, Surma said. His work there led to a fellowship at the Massachusetts Institute of Technology.

One night after work in a pizza restaurant near the lab, Surma said he and his research partner started sketching out ideas on a napkin about using plasma technology to process other kinds of waste. A company was born.

"It takes 30 to 50 years for garbage in a landfill to degrade to produce methane. Our process essentially does something equivalent in a matter of seconds," Surma said. "We can capture the energy value in waste in seconds rather than years."

Surma returned to Richland, where several patents were filed for the technology and the processes they created. The company initially focused on

other chemical waste streams that were considered high-value because of the cost of traditional disposal.

Several of the devices were installed in Japan and Taiwan. Those initial units can handle up to 25 tons of garbage a day.

As the company grew and Surma realized its potential, he said he wanted to relocate to a place where it would be easier to attract new employees. He settled on Bend.

InEnTec currently employs 24, but the bulk remain in Richland, where InEnTec maintains its research facility.

Surma said the deal with Waste Management is the next step in InEnTec's evolution. Surma said he didn't want to sell InEnTec but instead partner with a company that has the resources to scale up the technology.

At first, Surma said S4 will build smaller Plasma Enhanced Melters for Waste Management that can process high-value waste streams like medical waste, but the goal is to eventually process municipal waste. To be economically efficient, PEM units for municipal waste would need to process 125 tons of garbage a day.

Additionally, Surma said the PEM units can be placed side by side to handle more capacity.

S4 will be responsible for building the units and designing the processes to handle the material input and output. That means the company is likely to create hundreds of jobs, from design and construction to operation.

"We view this as a real boon to the overall economy," Surma said.

Joe Vaillancourt, of Houston, is S4's new senior vice president and a former managing director at Waste Management. He said Waste Management has been researching waste-to-energy technologies for years. Vaillancourt couldn't say whether InEnTec's PEM technology will revolutionize the garbage industry, but he said it has incredible economic potential.

"Some waste, like electronic waste and auto waste, isn't treated in a very efficient economic way, but there is lots of energy value in some of this waste that hasn't been captured historically," Vaillancourt said. "So from an energy-independence perspective, there's a difference that can be made in disposing of certain waste streams and this technology hits that sweet spot."

Andrew Moore can be reached at 541-617-7820 or amooore@bendbulletin.com.

perhaps converting garbage into energy isn't as sexy or as simple as harnessing the sun and wind. Rather, Surma claims up the company's "under the radar" science to emerging technology — using super-hot plasma to convert methane, synthetic gas that can be refined into hydrogen or ethanol — that is only now ready for commercialization on a scale that could make this well known as the solar panel or the wind turbine.

If we ever get to a hydrogen economy, this technology would be a fantastic source of distributed hydrogen that would make hydrogen available all across the country," said Surma, referring to the widely held vision of a future in which zero-emission, hydrogen-fueled cars have weaned the nation from its dependence on oil.

See Garbage/GS

LSI Title Co. of Oregon LLC, trustee
to Citibank NA, trustee, Broken To
Phase 2A, Lot 161, \$655,578.42

an Op-Ed column supporting the
levies in the Montana Standard
newspaper in the home state of
Democratic.