



Philip Craighead  
Mayor

# CITY OF LEBANON

*Office of the Mayor*

200 North Castle Heights Avenue

Lebanon, TN 37087

philipcraighead@lebanontn.org

615-443-2839  
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## SPECIAL CALLED CITY COUNCIL MEETING

AGENDA - MARCH 31, 2016 - 8:00 A.M.

TOWN MEETING HALL, ADMINISTRATION BUILDING

1. CALL TO ORDER

2. ROLL CALL

3. NEW BUSINESS:

1. **Ordinance No. 16-5181**, first reading, to enter into a Partnership with Wilson County Government for waste tires (feedstock) for the Gasification Plant's production of clean energy, by Jeff Baines, Commissioner of Public Works.

*Line Item Transfer – Before the Fact:*

2. **Ordinance No. 16-5182**, first reading, to authorize the purchase of a used roll off truck for Gasification Plant feedstock (wood waste) hauling (2015-2016 Fiscal Year Budget), by Jeff Baines, Commissioner of Public Works.

*Line Item Transfer – Before the Fact:*

3. **Ordinance No. 16-5183**, first reading, to amend the Agreement with PHG Energy Services for purchase of/contract for various equipment, accessories and services for logistical operation of the City of Lebanon Gasification Plant Project (2015-2016 Fiscal Year Budget), by Jeff Baines, Commissioner of Public Works.

4. ADJOURNMENT

**ORDINANCE NO. 16-5181**

**AN ORDINANCE OF THE CITY COUNCIL OF LEBANON  
TO ENTER INTO A PARTNERSHIP WITH WILSON COUNTY GOVERNMENT FOR  
WASTE TIRES (FEEDSTOCK) FOR THE GASIFICATION PLANT'S PRODUCTION  
OF CLEAN ENERGY**

**WHEREAS**, the City of Lebanon (City) entered into an agreement with PHG Energy for the development of the gasification (waste-to-energy) project per Ordinance No. 15-4849 in February 2015; and

**WHEREAS**, the City qualified and received a \$3.5 million Qualified Energy Conservation Bond loan from the Tennessee Department of Environment and Conservation (TDEC); and

**WHEREAS**, the City received a \$250,000 Clean Tennessee Energy Grant; and

**WHEREAS**, TDEC considers disposal of waste tires as a critical need for a safe and clean environment; and

**WHEREAS**, waste tires may be utilized as feedstock for the Gasification Plant and converted to safe and clean energy; and

**WHEREAS**, Wilson County Government (County) is responsible to TDEC for waste tire disposal for waste tires in Wilson County; and

**WHEREAS**, a partnership between City and County governments indicates leadership in providing a safe and clean environment for both today and future generations.

**NOW, THEREFORE, BE IT ORDAINED** by the City of Lebanon, Tennessee, as follows:

Section 1. The Mayor and Commissioner of Finance are hereby authorized to enter into a partnership with Wilson County Government for waste tire disposal per the attached agreement.

Section 2. This ordinance shall take effect immediately upon its passage, the public welfare requiring the same.

Attest:

Approved:

\_\_\_\_\_  
Commissioner of Finance & Revenue

\_\_\_\_\_  
Mayor

Approved as to form:

\_\_\_\_\_  
City Attorney

Passed first reading: \_\_\_\_\_

Passed second reading: \_\_\_\_\_



# CITY OF LEBANON

PHILIP CRAIGHEAD, Mayor

**JEFF BAINES, P.E.**  
**Commissioner of Public Works**  
200 North Castle Heights Avenue  
Suite 300  
Lebanon, Tennessee 37087  
Phone: (615) 443-2824  
FAX: (615) 444-1515

200 North Castle Heights Avenue  
Suite 100  
Lebanon, Tennessee 37087

## Waste Tire Agreement

Date \_\_\_\_\_

Prepared for:

Wilson County Solid Waste  
Urban Type Public Facilities Board  
% Cindy Lynch  
378 Dump Road  
Lebanon, TN 37087

Prepared by:

City of Lebanon  
Jeff Baines, Commissioner of Public Works  
200 North Castle Heights Avenue  
Suite 300  
Lebanon, TN 37087

Objective:

The City of Lebanon (City) and Wilson County (County) Governments are proposing to partner in the Waste-To-Energy (Gasification) Project to be located at the Waste Water Treatment Plant on Hartmann Drive. The City is responsible for all infrastructure, equipment and operations. The County is responsible for supporting the project with waste tires from various businesses and other sources.

Concept:

The City shall collect and recycle County produced and generated tires for \$0.95 per tire (service fee).

The following conditions apply:

The City shall provide a permitted, state approved collection location(s) within Lebanon and/or Wilson County. All tires brought in must be de-rimmed and free of mixed debris, hazardous material, and relatively free of water and dirt. Tires brought in that do not meet this requirement may be subject to a fee for labor cost to prepare for recycling. All tires will be recycled to meet or exceed state law and regulations.

Tires from County dealers, residences, and second hand vendors will be accepted at the City location(s). All tires will be weighed and counted. Manifest for all tires and scale tickets will be reported to the County Solid Waste Department for review along with a monthly invoice. The City reserves the right to negotiate hauling, transportation, and other related fees with tire producers in the County. All tires brought into the facility will be invoiced to the County regardless of the source. Appropriate documentation will be generated with reports. The County agrees to supply a roll off container at the landfill for any tires brought into that facility and will be responsible for transporting to the City drop off location. By entering this agreement, the County will significantly reduce transportation cost incurred on a yearly basis.

Agreement Attached



# CITY OF LEBANON

PHILIP CRAIGHEAD, Mayor

**JEFF BAINES, P.E.**  
**Commissioner of Public Works**  
200 North Castle Heights Avenue  
Suite 300  
Lebanon, Tennessee 37087  
Phone: (615) 443-2824  
FAX: (615) 444-1515

200 North Castle Heights Avenue  
Suite 100  
Lebanon, Tennessee 37087

## GENERAL CONDITIONS SERVICE AGREEMENT

Agreement Date \_\_\_\_\_

City of Lebanon (City) or any of its applicable subsidiaries or affiliates performing hereunder (City) hereby warrants to Wilson County Solid Waste (County) that all Waste Tires collected from County shall be recycled in accordance with the waste tire rules enacted by governing local, state and federal regulatory agencies.

1. **Term.** The initial term of this Agreement shall be thirty-six (36) months, commencing on the Effective Date of Service ("Term"). On each anniversary of the Effective Date of Service, the Term shall automatically be extended by one (1) additional year unless, at least sixty (60) days prior to any such anniversary, one party hereto notifies the other party hereto, in writing, that it does not wish to extend the Term beyond the then current expiration date. Such automatic extension and option to cancel such automatic extension shall continue until this Agreement expires in accordance with the terms of this provision, or is terminated as otherwise provided herein, or is terminated by the mutual agreement of the parties hereto. Should County lease or sell the landfill to a third party this contract shall remain in effect.

2. **Exclusivity.** City has invested and based upon this Agreement will invest capital, expertise, time and resources to perform this Agreement. Accordingly, during the Term of this Agreement, (1) County agrees to deal, negotiate, and contract exclusively with City for any and all Waste Tire related services provided by City to County under this Agreement, including without limitation, the transportation, processing, recycling, resale, and/or disposal of Waste Tires (collectively, 'Services'), (2) County agrees not to deal, negotiate, and/or contract with any other person, corporation, or other entity-whether directly and/or indirectly- for Services, and (3) in connection with this Agreement, the parties agree that each will not, directly or indirectly, interfere with, circumvent or attempt to circumvent, avoid, by-pass, hinder, evade, or obviate (a) one another; (b) each other's interests in or to the benefits of this Agreement, and/or (c) the interests or relationships that either party has with any other person, corporation, or other entity including without limitation customers, manufacturers, producers, sellers, buyers, vendors, brokers, dealers, distributors, refiners, and/or shippers to affect, changes, increase, decrease, and/or avoid, directly or indirectly, the obligations of one another under this Agreement.

3. **Fees, Charges and Payment.** County shall pay City for its Services in accordance with the Service Fees set forth on the first page of this Agreement and these General Conditions. County shall pay City at City's address on page 1 of this Agreement. The Service Fees and other charges set forth herein shall be adjusted after the first anniversary of the Effective Date of Service to reflect (a) increases in the Consumer Price Index (provided that such increases require the prior approval of County). All payment shall be due within fifteen (15) days of invoice. County is responsible for any and all environmental cost recovery charges, environmental compliance charges or other similar charges related to upgrading or maintaining County's facilities, including without limitation as such charges are incurred in order to operate any or all of its facilities at operating standards which are in excess of what may be required by applicable federal, state or local environmental laws or regulations. All permitting, transportation, and collecting practices at the landfill are the responsibility of the County unless otherwise notified. All permitting, transportation, and collecting practices at the City sites are the responsibility of the City unless otherwise notified. Should any state rule be implemented resulting in an increase of operational cost(s) to City or a decrease in reimbursement to County, County and City agree fees shall be adjusted.

4. **Diversion.** City shall maintain a permitted, clean, up to date drop off location(s) for all tires associated with the County. These locations shall be equipped with scales and staff to appropriately document, catalog, and report weights and counts for County for their purposes.

**5. Governmental Taxes, Fees and Charges.** County shall be responsible for any and all taxes, fees or other charges imposed by local, state or federal laws and/or regulations upon the collection, transportation, processing, recycling and/or disposal of County's Waste Tires.

**6. Equipment.** All equipment for collection, and storage at the landfill facility shall be the responsibility of the County and maintained by the County. No equipment will be provided in this contract unless notified. If necessary, the City will provide a roll off container to aid in volume and hauling.

**7. Waste Tires.** County warrants that the Waste Tires delivered to City shall be in as dry a condition as possible (no more than 10 milliliters of water in each) and shall be free of oil, petroleum and any other hazardous or toxic wastes as defined by local, state or federal laws and/or regulations. It is understood and agreed that County shall not deliver to City any split or chopped tires, solid rubber tires, baled tires, tires containing a heavy accumulation of dirt, or tires exceeding 54 inches in height or 18 inches in width or any waste other than Waste Tires (collectively, "Unacceptable Waste"). County further agrees that if any Unacceptable Waste is delivered by County, City may, at its election, (i) return such Unacceptable Waste to County, or (ii) charge a supplemental fee to County for special handling and/or disposal of such Unacceptable Waste.

**8. Title.** Title to the Waste Tires shall pass to City upon either the (i) payment of City's Service Fees and other charges due for such Waste Tires, or (ii) removal of such Waste Tires by City from County's premises, and (iii) a monthly collection report shall be generated for County. If County fails to pay City's Service Fees and/or other charges, City, at its option, may unload and/or return County's Waste Tires, in which event County shall remain liable to City for 100% of the Service Fees and other charges due for such Waste Tires. Notwithstanding the foregoing, title to and liability for Non-Conforming Tires shall always remain with County.

**9. Provision of Services, if applicable.** To the extent not otherwise covered by insurance, City shall be responsible for damages to County's property directly resulting from any actions of City, its agents or employees in connection with providing the Services to County pursuant to this Agreement; provided, however, that City shall not be responsible for any damages if County was aware of any condition affecting County's property which contributed to or caused such damage and did not inform City.

**10. Indemnity and Related Provisions.** County agrees to pay, indemnify, defend, and hold harmless City and its employees, agents, and representatives from and against any and all claims, causes of actions, controversies, demands, damages, losses, costs, fines and/or liabilities (collectively, 'Causes of Action') relating to and/or arising out of (1) the operation, use, or possession of the equipment by County, (2) each and every deficiency, defect, characteristic, and/or other condition of County's property and/or Waste Tires, including the delivery of Unacceptable Waste, (3) County's breach or nonperformance of any covenant, provision, representation or warranty made by County hereunder, (4) County's activities in connection with this Agreement or the Services, and (5) County's violation of any laws or regulations, save and except for Causes of Action resulting from City's willful misconduct or grossly negligent conduct. This provision applies to and includes without limitation claims and causes of action for death, personal injury, and/or damage to property or the environment. This indemnification specifically includes any injury to County's employees that may result from the employee's handling or loading of Waste Tires.

**11. Insurance.** In addition to County's obligations under Section 6 hereof, County shall maintain insurance in types and amounts appropriate for similarly situated persons. Without limiting the foregoing, County shall carry insurance adequate to cover all potential liabilities related to its business and its indemnification obligations under this Agreement.

**12. Right to Compete.** County grants City the right to compete with any offer which County receives (or intends to make) relating to the provision of Waste Tire collection, transportation, processing, recycling, resale and/or disposal services upon the termination of this Agreement, and agrees to give City written notice of any such offer and a reasonable opportunity to respond to it. If City agrees to provide services on the same terms as those set forth in the offer, County shall contract with City for such services.

13. **Default and Remedies.** In the event either party breaches this Agreement and fails to cure any such breach within five (5) days of written notice thereof, the non-defaulting party shall have all rights and remedies set forth in this Agreement and all rights and remedies available at law or in equity.

14. **Force Majeure.** Except for their respective obligations to pay any sums of money due hereunder, each party hereto shall be excused for any delay or failure in the performance of their respective obligations hereunder, and shall not be liable for failure to perform or considered in default hereunder, if and to the extent that such delay or failure is caused by occurrences beyond such party's reasonable control and is not caused by such party, including, but not limited to, governmental laws or regulations, strikes or other labor disputes, civil commotion, sabotage, acts of terrorism, war, fire, casualty, flood, earthquake, explosion, weather, or acts of God.

15. **Notice.** Any notice to be given hereunder shall be in writing and shall be delivered by hand, certified mail or overnight courier to the respective party at the address set forth below or such other address as either party shall designate by written notice to the other party. Any such notice shall be deemed effectively served as of the date of delivery unless delivery is refused or cannot be made, in which event notice shall be deemed given upon mailing.

Wilson County Government  
Wilson County Solid Waste Director  
378 Dump Rd.  
Lebanon, TN 37087  
Phone: 615-444-8360  
Email: wcsolid@gmail.com

City of Lebanon Government  
Commissioner of Public Works  
200 North Castle Heights Ave.  
Lebanon, TN 37087  
Phone: 615-443-2824  
Email: jeff.baines@lebanontn.org

16. **Waiver.** The failure of City or County to enforce, at any time or for any period of time, any one or more of the provisions of this Agreement shall not be construed to be, and shall not be, a waiver of any such provision or provisions or of its right thereafter to enforce each and every such provision; provided, however, final payment to City constitutes a full and final release of any claims that County may have against City.

17. **Severability.** If any provision of this Agreement is determined to be illegal or unenforceable, such provision shall be deemed amended to the extent necessary to conform to applicable law, or, if it cannot be so amended without materially altering the intention of the parties, it shall be deemed stricken and the remainder of this Agreement shall remain in full force and effect.

18. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Tennessee and any disputes arising from this Agreement shall be heard in the appropriate court of Wilson County in which such waste tire facility is located.

19. **General Provisions.** This Agreement (i) constitutes the entire contract between the parties with respect to the Services contemplated hereunder, (ii) may only be changed, modified or amended by a writing signed by both parties hereto, and (iii) shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. The representations, warranties and indemnifications contained herein shall survive the termination of this Agreement. If any conflict or differences exist in this Agreement between items that are printed and those that are typed or written, the typed or written language shall govern. Each party agrees, represents and warrants to the other that it has not made, and makes no statements, representations and/or warranties that are not contained in this Agreement, and neither party has relied on any fact, statement, representation, and/or warranty that is not contained in this written Agreement. Each party hereby represents and warrants that the execution and performance of this Agreement have been duly authorized by such party and that this Agreement is a valid and binding obligation of such party, enforceable in accordance with its terms. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which shall be deemed to be one and the same instrument. A facsimile or pdf signature binds the same as an original.

County

City

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Title)                      (Date)

\_\_\_\_\_  
(Title)                      (Date)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Witness)

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
(Attorney)

\_\_\_\_\_  
(Attorney)

**-Benefits-**  
**A City/County Partnership**

- + The proposed disposal price for Wilson County is less than state reimbursement
- + Eliminate potential cost increases from Liberty
- + Eliminates Employee handling/stacking/loading tires at County
  
- + Better Public Service –
  - Improved and Centralized drop off location
  - Extension of Hours will encourage proper disposal vs roadside dumping
- + Positive community relations- City and County work together to save Wilson County citizens money
- + Support Wilson County State Mandated 25% diversion from landfill Requirement (Requirement increases to 50% in 2025)
- + Ongoing Community positive relationships with new grants
  
- + Associates Wilson County with the positive environmental benefits from Gasification facility
- + Promotes Commitment to Sustainability and Environmental Stewardship
- + Gasification removes the equivalent of 4 miles of loaded semis of waste
- + Gasification removes greenhouse gases equal to 450 automobiles



**ORDINANCE NO. 16-5182**

**AN ORDINANCE OF THE CITY COUNCIL OF LEBANON  
TO AUTHORIZE PURCHASE OF A USED ROLL OFF TRUCK FOR GASIFICATION  
PLANT FEEDSTOCK (WOOD WASTE) HAULING**

**WHEREAS**, the City of Lebanon Gasification Plant is in need of a roll off truck to transport waste bins from various local industries; and

**WHEREAS**, good used trucks are available.

**NOW, THEREFORE, BE IT ORDAINED** by the City of Lebanon, Tennessee, as follows:

Section 1. The Mayor and Commissioner of Finance are hereby authorized to purchase one used roll off truck, subject to adherence to City of Lebanon and State of Tennessee purchasing laws. The purchase price shall not exceed \$75,000.00 (Seventy-Five Thousand Dollars).

Section 2. The Waste Water (Sewer) Plant budget is amended as follows:

Department:	Waste Water (Sewer) Plant	
From:	41190001-79010 Budget Retained Earnings	\$75,000.00
To:	41116520	\$75,000.00
	Work Order No. S015005	

Section 3. This ordinance shall take effect immediately upon its passage, the public welfare requiring the same.

Attest:

Approved:

\_\_\_\_\_  
Commissioner of Finance & Revenue

\_\_\_\_\_  
Mayor

Approved as to form:

\_\_\_\_\_  
City Attorney

Passed first reading: \_\_\_\_\_

Passed second reading: \_\_\_\_\_

**CITY OF LEBANON ACCTG. DEPT.**

**BUDGET AMENDMENT FORM**

**FY 2015-2016**

FINANCE DEPT.

2016 MAR 28 PM 4:29

FOR ACCOUNTING PURPOSES ONLY

**BGT #** \_\_\_\_\_

POSTED \_\_\_\_\_

REF # \_\_\_\_\_

INITIALS \_\_\_\_\_

**DEPARTMENT**

Waste Water (Sewer) Plant

**TRANSFER FROM**

G/L ACCT NO	ACCT DESCRIPTION	DEBIT	CREDIT
411 90001-79010	Budget Retained Earnings	<del>80,000</del>	
		75,000	

Total

\$ 75,000 - 00

**TRANSFER TO**

G/L ACCT NO	ACCT DESCRIPTION	DEBIT	CREDIT
<del>411-52213</del>			<del>80,000</del>
411-16520	Gasification Facility Initiative		75,000
Work order No. 5015005			

Total

\$ 75,000 - 00

**REQUESTED BY**

Scott McRae

**DATE** 3/24/16

**DEPARTMENT HEAD**

Jeff Bowen

**DATE** 3/24/16

**COMM. OF FINANCE**

Robert Jones

**DATE** 3/28/16

**MAYOR**

**DATE** \_\_\_\_\_

**REASON FOR THIS TRANSFER:**

Purchase Used Roll Off Truck to haul wood waste  
for use at gasification plant

**ORDINANCE NO. 16-5183**

**AN ORDINANCE OF THE CITY COUNCIL OF LEBANON  
TO AMEND AGREEMENT WITH PHG ENERGY SERVICES  
FOR PURCHASE OF/CONTRACT FOR VARIOUS EQUIPMENT, ACCESSORIES  
AND SERVICES FOR LOGISTICAL OPERATION OF THE CITY OF LEBANON  
GASIFICATION PLANT PROJECT**

**WHEREAS**, the City of Lebanon (City) entered into an agreement with PHG Energy for the development of the gasification (waste-to-energy) project per Ordinance No. 15-4849 in February 2015; and

**WHEREAS**, it was anticipated that the City would need to invest in certain equipment, etc. to support project operations; and

**WHEREAS**, it has been recommended the City enter into an agreement with Rockwood, LLC, for certain services related to wood and tire processing to fuel the gasification unit (Memorandum of Understanding Ordinance No. 15-5072); and

**WHEREAS**, the City wishes to amend the agreement with PHG Energy to assist with acquisition of certain equipment, accessories and services necessary for the logistical operation of the gasification plant; and

**WHEREAS**, the City received a \$250,000 Clean Tennessee Energy Grant from the Tennessee Department of Environment and Conservation Office of Sustainable Practice.

**NOW, THEREFORE, BE IT ORDAINED** by the City of Lebanon, Tennessee, as follows:

Section 1. The Mayor and Commissioner of Finance are hereby authorized to enter into and execute an amendment to the Engineering Procurement and Construction Agreement with PHG Management for an amount not to exceed \$500,000.00 for the purchase of or contract for various equipment, accessories and services necessary for the logistical operation of the City of Lebanon Gasification Plant.

Section 2. The Waste Water (Sewer) Plant budget is amended as follows:

Department:	Waste Water (Sewer) Plant	
From:	41190001-79010 Budget Retained Earnings	\$500,000.00
To:	41116520	\$500,000.00
	Work Order No. S015005	

Section 3. This ordinance shall take effect immediately upon its passage, the public welfare requiring the same.

Attest:

Approved:

\_\_\_\_\_  
Commissioner of Finance & Revenue

\_\_\_\_\_  
Mayor

Approved as to form:

\_\_\_\_\_  
City Attorney

Passed first reading:

\_\_\_\_\_

Passed second reading:

\_\_\_\_\_

**CITY OF LEBANON ACCTG. DEPT.**

FINANCE DEPT.

**BUDGET AMENDMENT FORM**

2016 MAR 28 PM 4:30

**FY 2015-2016**

FOR ACCOUNTING PURPOSES ONLY

**BGT #** \_\_\_\_\_

POSTED \_\_\_\_\_

REF # \_\_\_\_\_

INITIALS \_\_\_\_\_

**DEPARTMENT**

Waste Water (Sewer) Plant

**TRANSFER FROM**

G/L ACCT NO	ACCT DESCRIPTION	DEBIT	CREDIT
411 90001 - 79010	Budget Retained Earnings	\$500,000	

Total

\$500,000-00

**TRANSFER TO**

G/L ACCT NO	ACCT DESCRIPTION	DEBIT	CREDIT
<del>411 52213</del>			\$500,000
411-16520	Gasification Facility Initiative		\$500,000
Work Order No 5015005			

Total

\$500,000 - 00

**REQUESTED BY**

Scott McPhee

**DATE**

3/24/16

**DEPARTMENT HEAD**

Joe Bauman

**DATE**

3/24/16

**COMM. OF FINANCE**

Robert Spring

**DATE**

3/28/16

**MAYOR**

\_\_\_\_\_

**DATE**

\_\_\_\_\_

REASON FOR THIS TRANSFER: Amendment to PHG Energy Agreement (Ord No 15-4849)  
for Gasification Plant Miscellaneous Equipment, Accessories and Services  
purchases