

Town of Waldoboro, Maine
Transfer Station Committee Meeting Minutes
Municipal Building - 1600 Atlantic Highway
Thursday, July 10, 2014 – 6:00 p.m. to 8:00 p.m.

1. Sign in and Call to Order
2. Determine presence of a Quorum (at least 5 of the 7 Committee members or their duly appointed Alternates must be present).

The following committee members were present and constituted a quorum:

Bob Butler – Waldoboro Resident
Elizabeth Dinsmore – Friendship Select Board
Monika Magee – Cushing Alternate (sitting in for Martha Marchut)
Randy Robbins – Cushing Resident
*Seth Hall – Waldoboro Alternate, sitting in for the Hauler’s Representative
Ted Wooster, Waldoboro Select Board

*Subsequent to the start of the meeting, Terry Gifford, who had left the meeting and then returned, confirmed she had been sworn in. She assumed the committee seat Seth Hall was occupying as an alternate.

Terry Gifford requested confirmation that voting members whom the Waldoboro Select Board does not appoint, do not have to be sworn in at the Waldoboro Town Office. Bob Butler explained that each of Cushing and Friendship have their own procedures for appointing their committee members. Cushing and Friendship committee members are not subject to Waldoboro’s procedures.

Also present were John Higgins, Ronald Porter, Alfred McKay, John Daigle, and Ron Miller,

3. Elect Committee Officers

Chairman: Ted Wooster nominated Bob Butler. Liz Dinsmore seconded the nomination. There were no additional nominations. Terry Gifford abstained from voting. All other voting members voted in favor of Bob Butler to be Chairman.

Vice Chairman: Liz Dinsmore nominated Ted Wooster. Randy Robbins seconded the nomination. There were no additional nominations. Terry Gifford abstained from voting. All other voting members voted in favor of Ted Wooster to be Vice Chairman.

Secretary: Ted Wooster nominated John Meyn, who was not present. Randy Robbins seconded the nomination. There were no additional nominations. Terry Gifford abstained from voting. All other voting members voted in favor of John Meyn to be Secretary. (John Meyn subsequently accepted the position by e-mail.)

4. Rules for Conducting Business – Roberts Rules/Alternates?

Terry Gifford moved that alternates be allowed to sit at the table to participate in discussions. The motion was defeated by a vote of 4 to 2, with Gifford and Robbins voting in favor.

Bob Butler moved the committee conduct its business in accordance with Robert’s Rules. Ted Wooster seconded the motion. During the ensuing discussion, Terry Gifford argued that the committee should be run less formally. The vote was 5 to 1 with Gifford voting against it. The committee will therefore conduct its business in accordance with Robert’s Rules.

The Chairman opened a discussion concerning the creation of the agenda for each meeting. He emphasized the need for all members to participate in the process by bringing items for discussion to the chairman for inclusion on future agendas. Seth Hall asked why the Town Office didn't create, collate, edit and mail Transfer Station Committee agendas the way it does for the Planning Board. John Daigle pointed out that Planning is a "Board", which authorizes permits and variances. "Transfer Station" is a committee, which looks into issues and makes recommendations.

5. Meeting Times. It was moved that the committee meet the second Thursday of each month at 6:00 p.m. Monika seconded the motion. The motion passed by a vote of 4 to 2, with Gifford and Robbins voting against it.
6. Review of, and recommendations concerning, pending Haulers' License Applications

The Transfer Station Committee voted to make the following recommendations concerning the Waste Hauler applications listed below:

Applications Recommended for Acceptance:

R & D – The Committee voted to recommend acceptance of the application. Terry Gifford abstained.

Regional Rubbish – After the Transfer Station Manager confirmed that at least one of the trucks listed on the application accommodates the separation of solid waste in accordance with the ordinance, the committee voted to accept the application. Terry Gifford abstained.

Warren Luce - The Committee voted to recommend acceptance of the application. Terry Gifford abstained.

Nova** - The Committee voted to recommend acceptance of the application. Terry Gifford abstained.

Mark Miller - The Committee voted to recommend acceptance of the application. Terry Gifford abstained.

Applications Recommended for corrections and/or additions as follows:

a. Leeman Rubbish Removal: Certificate of Insurance is issued for Joe's Rubbish/Terry Gifford. Wayne Leeman is listed on the application as the owner of the Vehicles and the name on the application is Leeman Rubbish Removal. It appears that Leeman Rubbish Removal's vehicles are not covered. Monika Magee moved to table discussion of the application. Randy Robbins seconded the motion. During the ensuing discussion, Monika withdrew her motion. Ted Wooster moved, with Monika's second, to refer the issue to the Town Manager and to the Waldoboro Transfer Station Manager.

b. Lemuel Miller: Name of applicant is missing on the application. Terry Gifford abstained from voting.

c. Charles Peters: Insurance is issued to Charles Peters. Name on application is CP Trash Removal. Address on the application is a P.O. Box, Town is not listed. Terry Gifford abstained from voting.

d. **Nova Rubbish Removal: The committee recommended Nova's application for acceptance. Subsequent to the meeting, Bob Butler informed the Waldoboro Town Office subsequent to the meeting that the additional insured endorsement is issued on behalf of Amanda and Ben Lash, not on behalf of NOVA Rubbish Removal/Ben Lash, the name on the application.

e. Mark Miller: The certificate of insurance expired on July 3, 2014. Mr. Miller has not

submitted evidence of insurance that is current.

f. Outlaw Trash Removal: The applicant has not signed the application. Also, the insurance certificate has an expiration of June 8, 2014; the hauler's application says the policy expires on July 8, 2015.

g. Allen's Trash Removal: Application is in the name of Allen's Trash Removal. Insurance endorsement is in the name of Gerald Allen.

Additional Suggestions: Additional recommendation of the committee, with Terry Gifford's abstention, is:

i. Those with applications that are not complete should be denied use of the transfer station until they are complete. The committee reasons that the discrepancies noted above could constitute sufficient reason for an insurance company to deny a claim for liability against the town. The expectation is that the haulers can rectify the discrepancies quickly.

ii. The Waldoboro Town Office should establish a tickler file to follow the expiration dates of all waste hauler vehicle registrations and certificates of insurance. This suggestion is made to ensure the town is always adequately protected, the requirement that insurance companies advise the town of expiration notwithstanding.

iii. The committee has agreed to review limits of insurance coverage at its next meeting. The limits the various haulers have purchased vary quite a lot from one Waste Hauler to the next. Insurance limits should be based upon a reasonable assessment of the value of the assets the town wishes to protect at the transfer station, not on the operational parameters of each hauler

7. Up-date from Waldoboro Director of Public Works/Transfer Station Manager

Scale:

John Daigle reported that changes to the specifications for the scales would be necessary in light of new legal requirements. The new scale will have to have an outside remote display at each end that informs drivers to "Wait" (until the scale reads "zero"), and that shows the recorded weights.

To obtain a lifetime warranty for the scale, Waldoboro will need to cement all four sides to keep rodents and water at bay.

Given its current location, the transfer station well will require a riser, which will become incorporated into the new weigh house bollard. This approach will eliminate the need to relocate the well.

The plans will call for a culvert to be located under the scale.

Day Pads

The day pads have been delayed because the scale was delayed. The original plan was to save money by setting down blacktop for the day pads and the scales at the same time, eliminating the cost of a second asphaltting equipment mobilization.

Composting

According to information PERC has provided, compostable materials comprise about 38% of the solid waste stream PERC receives for incineration. Of the 3,000 tons the three towns ship to PERC annually, about 1,000 tons should be compostable. Lincoln County has undertaken a

composting pilot program. Daigle is consulting with DEP to determine requirements for composting brush and grass, a procedure which is not as restrictive as composting food waste. The latter would require a cement pad and a Quonset hut.

With composted food, leachate is not a concern because the food has been transformed into non-toxic and non-hazardous compost. Daigle believes Cushing, Friendship and Waldoboro need, ultimately, to venture into composting food. With the PERC deadline looming in 2018 and with it the possible doubling of dumping fees, not to mention the high cost of transporting solid waste to Orrington, developing a viable composting operation is becoming an absolute necessity.

DEP will work with us if we start small, perhaps with a cement pad and a Quonset hut for winter composting of food waste.

Ted Wooster suggested we need to learn how to treat and control vermin before we look at composting food waste.

Bob Butler pointed out that taking another 30% of materials out of the waste stream by composting would increase the towns' recycling rate to more than 60%. Composting is the next category of "low hanging fruit" that the transfer station committee should make every effort to see implemented.

Monika Magee emphasized the need to get the haulers involved in the composting effort.

Other Issues

John Daigle suggested the need for a new brochure, a foldout similar in form to the one that Planet Earth produced. Alan and Monika Magee are working on such a brochure. Daigle confirmed that money is in the budget to pay for it.

He also suggested a newsletter with different kinds of information. Some ideas include non-toxic pesticides for ants (borax and sugar). Providing solid waste disposal hints would help the committee get out there with the people, making it an education resource. The committee needs to make a real start with education.

Daigle passed out information about Lincoln County Recycling, including reports for 2011 and 2012. (The reports are also available on the Lincoln County website: <http://www.lincolncountymaine.me>)

The committee discussed options to get the issue of zero sort before the Lincoln County Commissioners. The problem is that Waldoboro cannot thoroughly evaluate the zero sort option without key financial information revealing the efficiency of Lincoln County Recycling. Daigle suggested that the Waldoboro Select Board should meet with the Lincoln County Commissioners to discuss the issue instead of going around them to enlist the support of the other towns in Lincoln County. He added that zero sort might not be the best solution available for increasing recycling rates. A compactor could cost as much as \$20,000. The Transfer Station would have to purchase containers at \$7,000 each to hold compacted zero sort materials. Then, there's the cost of trucking the zero sort materials. Everyone seems to focus on making recycling "easier" without understanding the costs involved. Ron Porter suggested we look at Thomaston, which is currently paying \$2,000 per week to truck its zero sort recyclables.

8. Next Meeting. The committee agreed to meet on Thursday, August 21st at 6:00 p.m. subject to availability of the conference room. Ted Wooster will chair the meeting.

9. Adjourn. It was moved and seconded to adjourn the meeting. The vote to adjourn was unanimous.

Approved:

Bob Butler, Chairman (Waldoboro Resident)

Elizabeth Dinsmore. (Friendship Select Board)

Randolph Robbins (Cushing Resident)

Monika Magee (Cushing Alternate for Martha Marchut)

Ted Wooster (Waldoboro Select Board)

Terry Gifford (Haulers' Representative)

Attachments to July 10, 2014 Agenda:

Summary: U.S.A. Group Meeting, June 17, 2014, Brewer Maine

Memo to Wes Richardson, Interim Town Manager, December 15, 2013

Resolution the Waldoboro Select Board signed and submitted to the Municipal Review Committee (Available at the Waldoboro Town Office)

**Attachments to July 10, 2014 Agenda of the Waldoboro Transfer
Station Committee**

Summary

U.S.A. Group Meeting

June 17, 2014

Brewer

USA Group, General Partner and majority shareholder of Penobscot Energy Recovery Corporation (PERC), hosted one of at least two informational meetings, to which it is inviting charter members of the Municipal Review Committee (MRC) to discuss the future of PERC. It will hold the second meeting in Waterville on June 19th.

MRC represents the 23.5% ownership interests of its 187 community members in PERC. (PERC Holdings owns 23.5 % of PERC and USA Holdings owns a majority of 53%). The following individuals spoke and then answered questions.

I. Summary of Bob Knudson's Remarks

Bob Knudson is a partner of USA Group. The purpose of the meeting is informational. USA Group wants to get correct information to the owners of PERC. He believes there is a need to redefine Maine's state waste policy. He believes there's a need for a state-wise referendum concerning a consistent plan to manage solid waste properly, efficiently, and sustainably. The USA Group goal of finding a way of extending the life of PERC has morphed into the bigger project of ensuring the existence of PERC, MMWAC (Mid-Maine Waste Action Corporation in Auburn), and ECOMAINE in Portland, all three of which incinerate solid waste and produce electricity.

II. Summary of Craig Nelson's Remarks

The current discussion has evolved through consideration of LD1483 (SP 458), which had been under the purview of the Environment and Natural Resources Committee. The majority of the Committee voted to recommend the bill's passage with a new title (An Act to Implement the Solid Waste Management Hierarchy). According to the State of Maine Legislature website, that bill was enacted on March 12, 2014 as Public Law 2013, Chapter 458 without the governor's signature. It amends 13 MRSA to specify that in matters related to waste facility licensing the DEP shall require that a facility's practices be consistent with the State solid waste management hierarchy (Recycle, Reuse, Compost, Process, and Landfill). For example, a request of DEP for a new landfill license would have to demonstrate that there is no other way of disposing of the waste intended for the landfill. The new law also directs the DEP to adopt routine

technical rules incorporating the hierarchy as a review criterion for the licensing of waste facilities. (Note: PERC, MWAC and ECOMAINE are close to the bottom of the hierarchy as the second least-desirable means of disposing of solid waste.)

PERC will cease to operate on December 31, 2018 if its contracts to receive municipal solid waste and to sell the electricity it generates are not renewed or replaced by something different. A charter community or communities may purchase PERC at an appraised price. If the option to purchase is not exercised, the limited partnership, which owns PERC, will dissolve. US Energy Group will assume the role of liquidator, either to seek a buyer to operate PERC into the future or to sell PERC's assets.

If PERC, Ecomaine and MMWAC all closed their doors, the State of Maine would have to figure out how to dispose of the 500,000 to 800,000 tons of the solid waste these three plants process each year.

Another development from the LD1483 discussions was a letter the Committee on Environment and Natural Resources wrote to the DEP Commissioner. That letter is dated March 24, 2014. It requests suggestions from DEP concerning (i) methods to incentivize recycling and composting as a means of meeting the State-mandated recycling goal of 50%; (ii) achieving economic stabilization of ECOMAINE, MMWAC, and PERC by January 1, 2016, with options for funding that stabilization; (iii) plans for minimizing future expansion of landfill capacity in Maine; (iv) identifying strategies to increase beneficial use of waste materials which have potential economic benefit; and (v) other components of an overall comprehensive implementation plan DEP believes to be necessary and appropriate to actualize the waste management hierarchy.

Mr. Craig reported polling results showing that 86% of Maine's residents are in favor of handling municipal solid waste through incineration. (Note: the polling was biased, as other options were not presented to those polled.)

Mr. Craig ended by saying he's not sure who will own PERC after 2018, but he is sure it will continue to operate.

III. Gay Grant from Gardiner and Randolph

Ms Grant was on 5-member sub-committee of the Committee on Environment and Natural Resources that surveyed solid waste disposal methods in Maine. She pointed out that Gardiner solid waste goes into a landfill. Some communities have robust recycling programs. Others do not because of limited resources.

While each Maine community has its own expertise in handling solid waste, each community can also benefit from guidance from the State. Given such guidance, each community will do what's right for it.

The landfill at Juniper Ridge employs the best land filling technologies available, but landfills cannot be the future. They simply preserve waste for future generations to handle.

Ms Grant advocates for a comprehensive, integrated statewide solid waste plan. She reported that DEP Commissioner Aho wants such a plan, as well.

Ms Grant's initial priority was to find ways of saving the three waste-to-energy plants in Maine. She came away from her sub-committee's work understanding that the waste management issue is much broader.

IV. Peter Prata, PERC Facility Manager

In 1977, there were 454 unlined landfills in Maine. By 1989 there were only 185, largely due to the waste-to-energy plants that were built.

PERC is open 5 days a week plus a half-day on Saturday.

At PERC trucks are weighed upon entry. 50% of them are transfer trucks as opposed to local garbage trucks. On the tipping floor, PERC employees pull out mattresses, plastic tarps, ropes and tires. Those materials used to go into the landfill. Now, PERC grinds up those materials, removes the ferrous metals, and then uses them as fuel.

PERC's flail mill breaks apart plastic bags containing garbage to get at the glass and metal inside. A series of magnetic conveyors pulls out the ferrous materials, which aggregate about 9,000 tons per year, and the refuse-derived fuel (RDF) goes into the boiler.

Tipping Fees are one element of PERC's revenue stream. The second element is revenues from the sale of electricity.

The garbage-fueled boiler operates at 710psi and produces 125,000 pounds of steam per hour. It's like a big steam kettle. It boils water at a high temperature and transfers the boiled water to a 30-megawatt generator.

The power purchase agreement PERC has with Bangor Hydro will expire in 2018. The contract calls for the delivery of 21.16 megawatts at the contract rate. PERC sells the remainder on the open market.

IV. Current, Future and Post 2018 PERC. John Noer, President

PERC has run for 25 years. May of 2014 was the plant's best month in its 25-year history. The PERC facility has an estimated useful life of about 25 years.

Some years ago PERC got a contract to supply electricity at very favorable prices. That federal contract runs out in 2018. At that time, PERC will have to sell its electricity on the open market. Until recently Electric prices have been falling. Recently, the downward trend in prices has reversed, and the prices are now increasing.

PERC's concern is how to make the operation work financially and economically? The hope is that market prices for electricity will continue to increase. PERC also needs to find ways of operating less expensively.

PERC cost about \$110 million in 1980. It would cost double that, now. Most of PERC's debt has been paid off, which is good news for the owners. Revenues generated will soon not have to service debt, freeing up cash for operations and capital replacement.

Waste-to-energy is a business that has needed government support to stabilize prices in a range where the waste-to-energy plants can operate profitably. EcoMaine is now operating without subsidies. Their subsidized contracts have run out. Their revenues have dropped, as more waste is recycled. PERC and the other two energy-to-waste plants in Maine are not counting on legislative support. They are trying to figure out how to go it alone. PERC now processes 300,000 tons of solid waste per year. In future PERC knows it will have less trash. Noer thinks he can operate efficiently with less trash. He hopes tipping fees are 2018 will be where they are currently without the performance credits.

Questions and Comments: Brownville: kwh sells for 14 to 15 cents.

1. Why isn't PERC preparing to sell its electricity directly to its municipal shareholders?

PERC will look to sell to municipalities. However, electricity has a contract path, which can be developed in any direction one chooses. The retail price for electricity in Maine is about \$62/mwh. You have to add the transmission fee to that, which continues to increase. If you're going to sell electricity in Maine, you need a license from the State. Could PERC be licensed to sell electricity wholesale? If one cuts out the middleman, the purchaser saves. Fees to the middleman are not that great, however. So, you'll save, but not much. Buying electricity wholesale is not the bargain some municipalities think.

2. Tipping Fees. *PERC's fee is about \$75 per ton before the performance credit. Subsidized, above market prices for electricity have kept PERC's tipping fees down and permitted PERC to compete with landfill fees. The present thought is that tipping fees will be somewhere between \$90 and \$100 per ton after 2018. The performance credit will disappear.*

3. Rail transport. PERC continues to explore this option. It could establish collection points close to strategically located rail spurs for onward shipment to PERC. Maine has an extensive railroad system, which makes this option theoretically attractive. The barriers are the need for switching gear and rolling stock, which are expensive and in which the railroads are hesitant to invest. If funding for the capital investment were forthcoming, PERC would jump on the opportunity to transport solid waste by rail and thinks the railroads would as well.
4. What's the likely impact of increased recycling on PERC? Stricter implementation of the solid waste management hierarchy will reduce solid waste volumes shipped to PERC. This should be a priority. **PERC is expecting revenues from sales of electricity to be different in the future, and PERC is expecting that annual tonnages moved to its facility could be cut in half, from 300,000 tons per year to 150,000 tons per year.** PERC wants everything possible to be removed from the waste stream. Achieve the highest recycling goals possible. PERC wants to reduce the amount of trash (and/or PERC ash) that goes into landfills. EcoMaine is no longer subsidized and appears to be competing because electricity rates are on the increase. Also, EcoMaine enjoys additional revenues from the recyclables it pulls from its waste stream and resells.
5. Does PERC continue to bring in out-of-state trash? **PERC brings in out-of-state trash in order to have the fuel it requires to fulfill its contractual obligations to provide electricity.** When the existing contracts expire, PERC will be able to run its incinerator at lower capacities. Less trash to burn translates into reduced hours of operations, changes in megawatts of electricity produced, fewer employees, and lower operating costs, generally. When MERC, the incinerator in Biddeford, closed down the three remaining incinerators absorbed the 125,000 tons of solid waste that had previously gone to MERC. **The point is that PERC's operating parameters are flexible. Its loans have been largely paid off, reducing the burden on cash flow. Tipping fees are driven primarily by the electricity market.**
6. The higher the price of electricity, the lower tipping fees can be. Scalability is the issue. And so is some kind of rate stabilization fund. **PERC wants to see an electricity market in which PERC can compete. The company does not want anything from the state. All it wants is a level playing field.**
7. PERC's annual return to its managing general partner is between 3% and 5%. **The performance credit PERC refunds to charter members will disappear after 2018.** The objective will be to keep the cost to the homeowner at 2017 levels (as yet undefined). **In 2018 PERC won't be able to purchase fuel to make the electricity contracts viable.** It may not be possible to bring solid waste in from out of state. The PERC facility is not licensed to burn drywall and painted wood. The plant can burn woodchips and wood pallets. When

PERC purchases wood, it's mixed with trash, and there's a limit to the amount that can be mixed with the trash because of the impact the mix has on the plant's emissions.

8. Strategy going forward? PERC intends to approach each of the 187 municipalities for a contract for fuel (solid waste). PERC and MRC are not talking. PERC cannot wait for the MRC to come back to the negotiating table. If the current electricity contracts go away, tipping fees will be very high. The trick will be to find a balance between revenues from tipping fees and revenues from the sale of electricity.
9. Waldoboro, Cushing and Friendship have each signed and submitted to the MRC a resolution agreeing to stay with MRC while it develops alternatives to PERC. Please refer to the memo below, which describes the background of the resolution and why the Waldoboro Select Board voted in favor of signing the resolution.

Town of Waldoboro, Maine
Transfer Station Committee

Memo to: Wes Richardson, Interim Waldoboro Town Manager
From: Bob Butler, Waldoboro Transfer Station Committee Chairman
December 15, 2013

Dear Wes,

Thank you for attending the Transfer Station Committee meeting last Thursday, December 12th.

Please recall that Will Payson of Cushing resigned from the committee. Martha Marchut, the committee's representative from the Cushing Select Board, confirmed Will had submitted his letter of resignation to her Select Board. She said she would convey a copy of Will's letter of resignation to the Town of Waldoboro to complete the record.

Will Payson was Vice Chairman of the Committee. The Committee voted unanimously, with Ted abstaining, that Ted Wooster should assume the seat of Vice Chairman. Randy Robbins, Cushing Alternate, will now take Will's seat.

Also, please recall that the Committee voted unanimously to recommend to the respective Select Boards of Cushing, Friendship and Waldoboro that they adopt the following Municipal Review Committee Draft Resolution:

"Resolution to Continue the Advancement of Post 2018 Planning Process, December 11, 2013".

I've attached the Draft Resolution to this memo. In view of the lengthy permitting schedule for any new facility, would you please present the Draft Resolution to the Waldoboro Select Board at its next schedule meeting for their consideration?

Background:

Martha Marchut, Cushing Select Board; John Meyn, Friendship Resident; Ted Wooster, Waldoboro Selectman; and I attended the December 11th Annual Meeting of the Municipal Review Committee (MRC) in Bangor. During that meeting the MRC Board of Directors presented its request that all Charter Municipalities join in approving the Resolution and provided the form or Resolution attached to this memo. The MRC Board of Directors had approved the Draft Resolution during a meeting it had held the previous day.

Please recall that the MRC represents the interests of the 187 municipalities that have their Municipal Solid Waste (MSW) hauled to the Penobscot Energy Recovery

Corporation (PERC) facility in Orrington for incineration. The communities' arrangement with PERC expires on March 31, 2018.

MRC is driven by the objectives of promoting affordable, long-term and environmentally sound technologies and procedures for the disposal of MSW.

The Draft Resolution is intended to marshal the combined negotiating leverage of the 187 communities while MRC works and negotiates on their behalf to develop a future for MSW disposal after PERC. As the Draft Resolution indicates, MRC intends to explore ALL available alternatives, including without limitation (i) exploring alternative technologies; (ii) engaging in discussions with existing and potentially new joint venture partners; (iii) securing rights and/or options to develop one or more potential sites; and (iv) preparing and filing an application(s) with Maine's DEP for a Determination of Public Benefit.

During its presentation of the Draft Resolution, MRC Board members made a number of important arguments in favor of their Draft Resolution:

- The MRC has been an effective advocate for its members, having restructured PERC twice (in 1991 and 1998); returned an aggregate of \$52.7 million to member communities; established a tip fee stabilization fund of more than \$21 million; and marshaled a \$2.3 million Operating Budget Stabilization fund. It is that latter amount MRC proposed to spend during the next two years to research and develop alternatives to PERC.

- MRC has assembled a team of experienced and competent professionals: CES, Inc (Engineering, Surveying, Planning, and Science); Commonwealth Resources Management Corporation; Eaton Peabody; the Law Firm of PretiFlaherty; Strategic Advocacy; and, of course, MRC itself. Most of the foregoing firms have been involved with the MRC since its inception in 1991 and are fully familiar with the issues.

- The existing PERC facility is too large efficiently to process and incinerate the MSW it receives. It must adapt to compete economically after March of 2018. MSW management costs must come down and/or PERC revenues must be augmented through the adoption of new technologies and services. The bottom line is that while negotiations to extend PERC are on going, the MRC municipalities must use their collective leverage to develop alternatives to make their own futures and control an alternative integrated facility(ies). These combined elements will focus on shopping for the most appropriate technology and vendor and, importantly, locating and controlling a site for handling MSW. *In regard to the latter, the permitting process must commence no later than February 1, 2014, when MRC intends to submit an application to DEP for a Public Benefit Determination for an integrated MSW recycling/processing and residuals disposal facility.*

- The issue of "Sticking Together" is essential to ensure that financing for any new proposed solution could be obtained. Together, the 187 communities will be able to present an impressive bloc of financial clout and MSW tonnage. Moreover, the issue of Guaranteed Annual Tonnage (GAT), a perceived albatross around the necks of an increasing number of participating municipalities as recycling efforts

improve, must be refined through the adoption of new technologies to reduce the GAT burden while ensuring potential lenders that sufficient MSW support for any new facility will be available. The MRC expects the definition of MSW Support to include combustible materials, recyclables, and compostables, all to be generated from within the borders of the State of Maine.

- From an engineer's perspective, the focus will be on reducing waste generation, recovering materials from recycling and/or composting, recovering energy from waste and managing residuals in a landfill. The challenge will be to get the scale right by providing incentives to reduce and divert MSW while avoiding GAT penalties and, again, to serve Maine without relying on out-of-state MSW. An objective is to create high-value products with stable markets while factoring in sorting, collection, and hauling costs by utilizing technologies appropriate to those objectives.

- The MRC Board emphasized many times that ALL OPTIONS ARE ON THE TABLE, including technologies, which may become available during the next two to three years.

- The MRC's proposed time-line is:

2014: Confirm technologies and business concepts, secure municipal support and initiate the permitting process;

2015: Procure vendors and continue the permitting process;

2016: Secure Charter Municipality approvals, financing and continue the permitting process;

2017: Complete the permitting process and development of plans and begin construction

2018: Commence commercial operation

RECOMMENDED COURSE OF ACTION:

The Waldoboro Transfer Station Committee discussed the Draft Resolution at its meeting on December 12th. The Committee was handicapped in that the Resolution text was not available to all members of the Committee, and time was short because the Committee had to spend most of its allotted time dealing with another matter.

Marchut, Wooster, Meyn and Butler made the following points:

1. The Resolution, essentially, requires those who sign on to continue with their support of the MRC and to give the MRC until January 1, 2017 to develop alternatives to PERC. When I asked if that precludes contracting with third parties to establish alternatives of their own, Greg Louder, MRC's Executive Director, indicated his preference that any such alternatives be short-term commitments so as not to preclude the respective community from continuing with MRC after it learns more about the MRC's solutions.
2. Ted Wooster pointed out that none of the three communities currently supporting Waldoboro's Transfer Station has the financial, legal and engineering, resources to embark on developing solutions of its own.

3. John Meyn, Bob Butler and Martha Marchut pointed to their concerns that the commitment, until January 1, 2017, to forebear looking into alternatives to MRC would leave the communities precious little time to develop alternatives of their own in the event those MRC proposes are not workable. Nevertheless, in view of Ted Wooster's comment and the excellent representations the MRC has made on behalf of the Charter Municipalities for the past 22 years, they agreed to approach their respective Select Boards to sound them out on their views. They said they would communicate the Waldoboro Transfer Station Committee's unanimous recommendation to the Cushing, Friendship, and Waldoboro Select Boards to support MRC's Draft Resolution.

Respectfully submitted,

Bob Butler
Chairman
Waldoboro Transfer Station Committee