

**Town of Waldoboro, Maine**  
**Transfer Station Committee Meeting Minutes**  
**Municipal Building - 1600 Atlantic Highway**  
**Thursday, February 9, 2012 – 7:00 p.m.**

1. **Call to Order** – Bob Butler, Waldoboro citizen, called the meeting to order at 7:06 p.m. with a quorum present. Other committee members present were:

Theodore Wooster, Vice Chairman, Waldoboro  
John Higgins, Waldoboro Citizen  
Liz Dinsmore, Friendship Select Board  
Will Payson, Cushing Select Board  
Bruce Prior, Cushing Hauler  
Terry Gifford, Waldoboro Hauler  
Monika Magee, Cushing Citizen

Also in attendance: John Spear, Waldoboro Town Manager, and Greg Lounder of the Municipal Review Committee

2. **Discussion with Greg Lounder** – John Spear introduced Greg Lounder of the Municipal Review Committee (MRC). Greg provided the following background information about the MRC and its relationship to Penobscot Energy Recovery Company (PERC).
  - a. PERC began operations in 1988. It had established a 30-year electricity supply contract with Bangor Hydro, using Municipal Waste trucked in from Maine communities as its source of fuel. That Bangor Hydro contract expires in 2018. The towns' arrangements with PERC gave them a less expensive alternative to landfills for the disposal of their Solid Waste. The alternative to landfills that PERC offered made—and still makes—sense. The ash remaining after PERC burns municipal solid waste is 10% of the original volume, a substantial reduction in landfill resources PERC needs to bury the ashes. Moreover, the ashes are far more stable and have far less leachate than unburned solid waste. Burying ashes reduces or eliminates clean-up liabilities that traditional landfills can place on future generations. PERC promised the towns it would accept their solid waste for a tipping fee of \$10 to \$14 per ton of Solid Waste delivered.
  - b. PERC's initial tipping fees were not realistic. They did not support the operating costs of PERC's plant. In 1991 PERC restructured the pricing to \$30.00 per ton.
  - c. The towns formed the MRC in 1991 as a reaction to PERC's more than doubling of the tipping fees. The MRC is an oversight committee and represents the interests of the towns' relationships with PERC. The MRC ensures the towns have a permanent role

is PERC's performance. The MRC has a nine-member board. All are members-at-large. Each member serves the interests of each of the 187 communities that send Solid Waste to PERC.

d. In 1998 PERC increased its tipping fees, again. The Towns ultimately took a 25% ownership interest in PERC and paid for it by foregoing their revenue rebates for a period of 6 years. PERC's assets are valued at about \$15 million. Operations and maintenance costs, at \$4 million to \$5 million per year, are very high. The life expectancy of PERC'S facility is short; costly repairs can happen quickly. When PERC is not operating and generating cash flow, the assets have virtually no value, other than possible salvage value. Bob Butler surmised that PERC will have limited or no attraction as an investment option when 2018 arrives. Why would anyone want to exercise contractual rights to purchase the facility in 2018? Who would want to invest in a facility that is relatively inefficient and a high-cost producer of electricity? Greg Lounder responded that a new group of banks recently refinanced PERC's remaining debt. It might be possible to locate replacement partners. The MRC communities would have to agree with any such arrangement.

e. Monika asked if there's a way of making PERC more efficient, perhaps by pre-conditioning solid waste to reduce moisture content before PERC receives it. Less moisture content would mean less weight to transport to PERC and a more efficient incineration of fuel inputs. Are there emergent technologies? Would pelletizing the solid waste be cost efficient providing economies of scale could be attained?

f. Greg Lounder shared that George Erinson (sp?) has been MRC's technical advisor for many years. He is a foremost expert in waste technology. The MRC board has asked him to look at emergent technologies. He is looking for a viable economic model that would permit PERC to operate efficiently with less Municipal Solid Waste, particularly in view of recent declines in the quantities of solid waste the communities are delivering to PERC.

g. John Daigle asked about Construction Demolition Debris as a possible source for PERC fuel. He wondered why PERC doesn't take CDD for fuel. It burns easily. Greg pointed out that PERC's biomass controls are better than those of any other facility in Maine. He said PERC does take chips from member communities and promised to look into this with John.

h. PERC is structured as a Partnership. The towns are limited, not general, partners of PERC; they have no obligation to provide capital contributions. The MRC has certain consent rights over changes in General Partners and certain financial matters.

i. PERC is highly competitive when compared to the costs of alternative fuels. PERC is not competitive with natural gas. PERC's fuel (Municipal Solid Waste) is complicated; natural gas is not a complicated fuel.

j The communities MRC represents have energy/waste disposal security until 2018. After that date the PERC facility will have to become active in the competitive market place because Bangor Hydro's commitment to purchase energy from PERC will expire.

k. In response to a question Will Payson posed, Greg Louder confirmed that PERC's sole sources of revenue are the tipping fees communities pay to dispose of their Solid Waste and the rates Bangor Hydro pays for the electricity it purchases from PERC.

l. Greg Louder emphasized that MRC lobbies on behalf of its member communities. Regulatory risk needs to be managed to ensure changes in laws do not increase the costs of operating PERC. MRC's efforts have thus far been successful. PERC has experienced no change-in-law cost increases.

m. The committee thanked Greg Louder for his visit and asked him if he would return from time-to-time

**3. Citizens Comments – None**

4. **Minutes** – Ted Wooster moved and John Higgins seconded that the Committee approve the minutes of the January 26th meeting. All committee members present voted in favor of the motion.

**5. Continuing Business – Discussion of Ordinance Draft**

a. Terry Gifford moved that the committee amend the draft ordinance to charge haulers a \$25 permit fee per business. The draft charged a \$25 fee per truck. Bruce Prior seconded the motion. The motion carried on a vote of 4 to 3. Those voting for the motion were Bruce Prior, Will Payson, John Higgins, and Terry Gifford. Those opposed were Bob Butler, Ted Wooster, and Monika Magee.

b. The Committee agreed to include a definition for Municipal Services Agreement (1.3.9).

c. The Committee agreed to amend 2.4.1.i to read as follows:

i. On an as-needed basis, appoint Committee members to attend meetings of the Municipal Review Committee (MRC) and of the Penobscot Energy Recovery Company (PERC) and to report back to the Committee in order that the Committee may deliberate over MRC and PERC proceedings and make recommendations to the Board.

d. Report from John Daigle Concerning DEP Regulations and Transfer Station's right to refuse Demolition Debris and other Solid Waste (cf. A-4b of the draft ordinance).

John Daigle confirmed that the present draft language is consistent with the existing Transfer Station rights. The Committee agreed that A-4b should stand as drafted

e. John Daigle confirmed that the Transfer Station accepts hot water tanks at a per unit charge of \$5.00 and pressure tanks at no charge, but only if they are not pressurized.

f. Plastic Bags. Monika Magee confirmed that the local Hannaford's will accept plastic bags from the Transfer Station. The only obstacle has been the type of bag, which the Transfer Station must use to collect and deliver the plastic bags to Hannafords. Bob Butler confirmed that the Hannaford's store manager, Rick, had phoned him to say Hannaford's will accept recycled plastic bags in the large sample bag Butler had provided to him. Butler's business generates the large bags, which contained starch peanuts loosefill, and Butler had confirmed he could drop the bags off during his weekly trips to the Transfer Station. The Hannaford's store manager had also requested that the Transfer Station deliver the recycled plastic bags to the store more often as a way of limiting what he has to throw onto Hannaford's trucks each time.

## 6. Referral of Ordinance Draft to Waldoboro Select Board

John Higgins moved and Ted Wooster seconded that the Committee should refer the complete Ordinance Draft to the Waldoboro Select Board for legal review in preparation for putting it onto the June warrant. The motion passed unanimously

## 7 Adjournment

Ted Wooster moved that the meeting adjourn. All committee members present voted in favor.

Respectfully Submitted: Bob Butler and Liz Dinsmore

Approved:

Transfer Station Committee  
Town of Waldoboro, Maine:

□

---

Bob Butler, Chairman

---

Ted Wooster, Vice Chairman

---

Elizabeth Dinsmore Committee Secretary, Friendship Select Board

---

Terry Gifford, Waste Hauler, Waldoboro

---

John Higgins, Waldoboro Citizen

---

Monika Magee, Cushing Citizen

---

Will Payson, Cushing Select Board

---

Bruce Prior, Cushing Hauler

---

(Absent) Randy Robbins, Cushing