

**TOWN OF OLD ORCHARD BEACH
TOWN COUNCIL WORKSHOP
TUESDAY, AUGUST 31, 2010 – 7:00 P.M.
TOWN HALL CHAMBERS
AGENDA**

A Town Council Workshop was held on Tuesday, August 31, 2010 at 7:00 p.m. in the Town Hall Chamber. The Chair opened the meeting at 7:12 p.m.

Present: Chair Sharri MacDonald
Vice Chair Michael Tousignant
Councilor Robin Dayton
Town Manager Jack Turcotte
Assistant Town Manager V. Louise Reid
Public Works Director Bill Robertson

Absent: Councilor Shawn O’Neill
Councilor Laura Bolduc

The purpose of this workshop was to discuss the Town entering into an Agreement with BBI Waste, Ind., for accepting Old Orchard Beach Municipal Solid Waste at the BBI Facility on Vallee Lane in the amount of \$50,000 from Account Number 20163-50340 – Solid Waste Contract, with a balance of \$258,072.66, to include closing the Old Orchard Beach Transfer Station for acceptance of solid waste. This item had been previously placed on the Special Town Town Council Meeting of August 25, 2010 in order to provide further information to the Council.

BACKGROUND:

A few months ago Patrick Coughlin, Kenny Blow, Archie St. Hilaire and the Assistant Town Manager, V. Louise Reid, met with Randy McMullin of the Department of Environmental Protection and discussed the existing and proposed possible Transfer Station responsibilities being taken over by BBI. The above Solid Waste Order is a result of that meeting. It should also be stated that the Town would retain its permit to run the Transfer Station should this arrangement not be in the best interests of the citizens of the Town. The Council gave its indication that an October 1, 2010 date would be a reasonable starting date.

The Applicant BBI Waste Industries (“BBI”) has applied for approval to modify the existing transfer station to accept municipal solid waste (“MSW”) from residential customers. The existing transfer station facility is licensed to accept construction and demolition debris (“CSDD”) from commercial and residential users, but accepts municipal solid waste from only commercial accounts. The facility is located at 1 Vallee Lane in Old orchard Beach. This license amendment request is to expand the “customers” using the facility to include residential customers dropping off MSW at the facility. The Town of Old orchard Beach is proposing to close the Old Orchard Beach Transfer Station currently operating under

Department Order #S-08464-10-C-R. Local changes have been made in Old Orchard Beach community to increase curbside pick up of more MSW and curbside pickup of single sort recycling, which has dramatically reduced the amounts of MSW disposed of at the Old Orchard Beach facility to approximately 400 tons per year. The BBI waste facility is located approximately ½ mile from the Old Orchard Beach facility and proposes changes in the BBI facility to facilitate the acceptance of the MSW from residential customers. Leaf and yard waste will still be accepted at the Town of Old Orchard Beach facility on a reduced schedule. The 1 Vallee Lane site contains the offices of BBI Waste Industries, a maintenance facility for vehicles and containers, and is the site of the transfer station. BBI further proposed amending the permitted transfer station to install a MSW compactor for the acceptance of MSW for residential customers. Traffic control at the facility will be regulated remotely by the operator to prevent residential customers from interacting with commercial customers and to allow for safe entrance and egress by all users of the transfer station. The Town has considered this change in part because of the cost of replacing a compactor that is no longer able to be used and the cost is in the \$60,000 or \$70,000 range to repair. Traffic flow into and out of the transfer facility has generated approximately 250 passenger car equivalents per day according to facility records since the transfer station was constructed in 2001. This amendment is expected to add an addition 32 per day to the total facility traffic flow and this expanded volume does not trigger a traffic study. Peak afternoon traffic flow is estimated to be 50 at the facility entrance. Intersection sight distances where the access drive intersects with Vallee Lane and Smithwheel Road are adequate. The Department of Environmental Protection finds that the facility has been designed to allow for adequate traffic movement into, out of, and within the facility.

Solid Waste Management Rules are addressed. Wastes delivered to the site will be inspected by the attendant and directed to the appropriate unloading area. Mixed loads will be sorted by facility personnel to separate reusable, recyclable and process able materials. The facility is gated and monitored during and after business hours. The facility will continue to accept only construction/demolition materials (wood, gypsum board, shingles, concrete, brick, glass, etc.) land clearing debris, while metal goods, universal and e-waste, and a part of this agreement, municipal solid waste. The following materials will not be accepted at the facility: Hazardous and special wastes as defined in statute and rule; waste oil and antifreeze; car/truck tires and batteries; and ash and composted materials. There will be no open burning or disposal of waste materials at the facility. BBI will provide for MSW disposal at one or more of the following approved facilities and in accordance with the Solid Waste Management Regulations: Maine Energy in Biddeford (contract dated February 23, 2004); Mt. Carberry Landfill in Success, NH (contract dated July 28, 2006); and Coventry Energy in Haverhill, MA (contract dated July 21, 2006).

The Town of Old Orchard Beach will continue to maintain its ability to operate its own Transfer Station should that ever be another consideration in the future.

Further discussion will be ongoing regarding what will be accepted at the Old Orchard Beach Transfer Station such as recommendations being considered such as brush, grass and leaves, free to residents, with commercial entities at \$6 per yard. It is suggested for discussion purposes that the Old Orchard Beach Transfer Station might be open from 7:15 a.m. to noon on Wednesdays and 7:15 a.m. to 2:00 on Saturdays but closed for the months of December through February; closed for snow removal operations. It has also been recommended that all persons transporting material to the transfer station are subject to proof of residency or

proof of real estate ownership requirements if not required to pay a fee. It was also suggested that the Transfer Station might be open other dates as determined by the Town Manager or his designee and also closed on various dates as deemed necessary by the Town Manger. Again, these are discussions that have been held with suggestions being made.

On September 10, 2009, the following item was presented at a Workshop:

The original proposal presented include Alternative 2 which is what is being discussed:

Focus:	Alternative 2 – Close the Transfer Station and move all services, except composting, to BBI
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- I. Review Proposal from BBI**
 - a. \$50,000 a year was bid by only BBI
 - b. BBI will provide: manpower, equipment, hauling, scale facility, recordkeeping, expanded operating hours, recycling drop off area
 - c. Town will continue to pay tipping fees to MERC and composting/brush operations

- II. Review Savings to the Town of Old Orchard Beach**
 - a. A detailed spreadsheet is attached.

Transfer Station Savings with Relocation

Utilities – Heat	\$10,000	Capital – Sewer	\$ 19,440
Utilities – Electrical	6,000	Capital – Drainage	25,200
Utilities – Water	1,000	Capital – Compactor	200,000
Utilities – Phone	1,000		
Hauling – BBI	20,608		
Hauling – Comm. Product	8,604		
Rental Units	1,475		
Overtime	10,000		
Misc. Office Supplies	3,000		
Total	\$ 61,687	Total Pending Capital Needs	\$ 244,640

- III. Discuss Pro/Con List**
 - a. **Pro:** Better hours, cost savings, not closed during plowing/winter operations, employee needed at DPW, scales more accurate, time needed to manage MSW contract
 - b. **Con:** Price control, existing permit system overhaul

- IV. Discuss Logistics**
 - a. **60 day minimum turnaround for permitting**
 - b. **Current resident permits will be honored, but will need to be redesigned to go by weight and not yardage**
 - c. **24 accommodation for beach trash disposal to be coordinated**

V. Questions/Concerns

Financial Comparisons:

Budget Review:

FY10 Budgeted	\$255,000
Bid Total	325,000
Shortfall	- 70,000

Private Park Pricing Example

Cider Hill	\$ 96	\$1.00	52	\$4,992.00
Cider Hill	165	\$1.00	52	9,152.00

Transfer Station Savings

Utilities	\$ 10,000
Hauling	
Container Rental	
Pending Improvement – Sewer	19,400
Pending Improvement – Drainage	25,200
Overtime	12,000
Compactor Replacement	
	\$ 66,640

Permit History

2001	598 permits	\$ 5,980	2005	1,018	\$25,450
2002	1,008	10,800	2006	847	21,175
2003	1,127	11,270	2007	767	19,175
2004	557	5,570	2008	666	16,650
			2009	616	15,400
			2010	480	12,000
					till August 23, 2010

Under the current proposal resident permits would be honored at BBI but trash would be measured by weight and not yardage.

The Town Council has established the following policy for the acceptance of brush, grass and leaves.

PROCEDURE:

- A. Brush, grass and leaves will be accepted at the Brush Disposal Area, free to residents.**
- B. Brush, grass and leaves will be accepted at the Brush Disposal Area from commercial entities at \$6.00 per yard.**
- C. The Brush Disposal Area will be open from 7:15 a.m. to 12:00 p.m. (Noon) on Wednesdays and 7:15 a.m. to 2:00 p.m. on Saturdays.**
- D. The Brush Disposal Area will be closed for the months of December through February.**
- E. The Brush Disposal Area will be closed for snow removal operations.**
- F. All persons transporting material to the Brush Disposal Area are subject to proof of residency or proof of real estate ownership requirements if not required to pay a fee.**
- G. The Brush Disposal Area may be opened on other dates and times as determined by the Town Manager or his designee. Brush Disposal Area may also be closed on various dates as deemed necessary by the Town Manager or his designee.**

Discussion continued on the Town's consideration of closing its transfer station and moving all its services, except composting, to BBI Waste Industries. Under this proposal the town would pay BBI Waste Industries to take over the duties of the Transfer Station. BBI would provide staffing, equipment, record keeping, hauling, a scale facility and a recycling drop-off center. An option to have BBI run service at the current Transfer Station was considered but Archie St. Hillarie, CEO of BBI, said that he thought moving services to the nearby solid waste disposal company was a better option. He indicated that with two of us doing the same things within a mile of each other is not cost effective. If BBI were to take over the Transfer Station, the hours would expand to later in the afternoon. Currently the Transfer Station is open from 7:15 a.m. to 2:00 p.m., Monday through Saturday. The cost to run the current Transfer Station is about \$62,000 a year plus the cost of a staff person. The cost for BBI to take over the Transfer Station would be \$50,000 annually. Under the current proposal the Transfer Station employee would be moved to the Public Works Department as he is already involved in winter plowing. At that meeting the Town Council requested that the Acting Town Manager, V. Louise Reid, provide the letter to BBI suggesting this arrangement so that BBI can arrange through the Department of Environmental Protection for the permitting required which has now been received.

Discussion continued this evening on the current agreement that is being considered.

Hours of Operation:

Monday through Friday 7:30 a.m. to 4:00 p.m.

**Saturday (Summer – Memorial Day to Labor Day)
8:00 a.m. to 2:00 p.m.**

Saturday (Fall, Winter, Spring)
8:00 a.m to noon.

Transfer Station Prices

BBI Prices

Toilets	3.00 each
Mattress/Box Spring	10.00 each
Stuffed Chairs	10.00 each
Large Couches	18.00 each
Pull out Couches	18.00 each
Regular Couches	12.00 each
Brush, Grass & Leaves Non Resident	6.00 per cy
Brush, Grass & Leaves	Free
Metal	Free to all
Clean Wood (no nails/ No pressured treated wood)	28.00 per cy
Demolition Debris	28.00 per cy

Mattresses/Box Springs	15.00 each
Couches – Small	20.00 each
Stuffed Chairs	30.00 each
Couches – Large	25.00 each
Sleep Sofa	30.00 each
Tires/Cars & Small Pick Up	10.00 each
Large Tires	15.00 each
Tires/Car & Small pickup/rims With Rims	25.00 each 35.00 each
Truck Tire without rims	25.00 each
Freon items including A/C	27.00 each
TV's	20.00 each
Console TV's	45.00 each
Propane Tanks	13.00 each
Large Propane Tanks	25.00 each
Hot Water Tank	20.00 each
Microwave	10.00 each
Monitors (17" or less)	20.00 each
Desktop Copiers/Printers/ Scanners/Fax Machines	20.00 each
Floor Copiers/Printers	45.00 each
CPU's and Laptops	5.00 each
Other Computer Peripherals (Keyboards, Mice Speakers)	5.00 each
UPS's (Battery Back Up Systems)	12.00 each
All Straight Fluorescent (Uncoated)	0.25 per ft.
All Straight Coated Lamps	0.50 per ft.
Ballast	2.00 per lb.

As a summary to the discussion it appears that it may be a savings of \$55,000 if Blow Brothers should take over the transfer station and also it would saving the Town from having to pay \$246,000 of capital needs in order to keep the current transfer station running. Again it was noted by both Vice Chair Tousignant and Councilor Dayton that the contract with BBI would prevent the town from subsidizing trash disposal permits for large loads. In addition it was also stated that there would be no costs for disposal of the blue bags. In addition further looking into the sale and/or use of compost material. Also information was to be secured about the risk of giving fire wood to General Assistance clients and what legal ramifications that might have. Vice Chair Tousignant indicated that "It's time for people to be responsible for what they're throwing away. The cost of trash is going through the roof and it's not fair to residents to ask them to pay for getting rid of someone else's trash." Councilor Dayton said the anticipated cost savings of \$55 was at the "low end of the scale." She believes by closing the transfer station the Town could save a lot more over time, including costs that nobody things about, such as the overhead for operating the transfer station. Both Councilor Dayton and Vice Chair Tousignant

indicated that BBI would provide a much fairer way of paying for trash disposal since the company will weigh each load of trash coming in from businesses and residents instead of the transfer station attendant guessing at the weight of a load of trash as happens now. Chair MacDonald said that BBI was chosen to essentially become the Town's new transfer station after it was the low bidder during a closed bidding process held earlier this summer. Under the agreement with BBI household and business trash will still go to the Maine Energy Recovery Company trash incinerator in Biddeford and the recycling to Ecomaine in Portland.

The discussion of Permits indicated that so far in 2010 we have sold 480 permits with revenue of \$12,000. It is only a potential because the amount of blocks a resident uses on their transfer station permit is not tracked by the Transfer Station. One of the positives of BBI taking over the Transfer Station is that there would be a better compilation of information and the tracking of how this is affecting our recycling effort as well. In addition, Vice Chair Tousignant indicated that in truth when a citizen buys a permit for \$25, the actual cost of the product he is bring is about \$15 more so in 2009 we sold 616 permits for a total of \$15,400. Each permit issued the Town actually was paying approximately \$59 to cover the cost of the materials which means that the Town subsidized \$36,344 which had to be assumed by the Town. In addition to this when an individual brought a couch to the Transfer Station and paid the \$25 disposal cost; the Town still had to pay additional funds to Blow Brothers to come and dispose of those products. These additional costs were an important consideration in the discussions that were held during this Workshop and again gave justification for the determination to outsource to Blow Brothers and close the Transfer Station. Vice Chair Tousignant and Councilor Robin Dayton both emphasized several times that there is a misconception among some residents that if the Town were to have BBI take over the transfer station, that BBI could charge whatever it wanted. However, Councilor Dayton indicated that under the proposed contract the most the cost of disposal services could go up each year would be tied to the consumer price index. Another benefit to the proposal is that BBI would be open more hours than the current transfer station. It was also noted that our Transfer Station will keep its permit should it be decided in a year that this is not working out. It was also noted that all current permits would be honored till the end of the year. Further discussion of the various items discussed herein were also raised by John Bird, Jerome Begert and John Weaver.

If the contract is approved at the September 21, 2010 Council Meeting, it will begin November 1, 2010 but the permits will be honored till December 31, 2010. In addition the \$50,000 will come from Account Number 20163-50340 – Solid Waste Contract, with a balance of \$258,072.66, to include closing the Old Orchard Beach Transfer Station for acceptance of solid waste.

The Chair closed the meeting at 8:45 p.m.

Respectfully Submitted,

V. Louise Reid
Town Council Secretary

I, V. Louise Reid, Secretary to the Town Council of Old Orchard Beach, Maine, do hereby certify that the foregoing document consisting of seven (7) pages is a true copy of the original Special Town Council Minutes of August 31, 2010.

V. Louise Reid