

LEWISTON CITY COUNCIL WORKSHOP AGENDA

Tuesday, August 7, 2012

City Council Chambers

6:00 p.m. Workshop

Pledge of Allegiance to the Flag.

Moment of Silence.

WORK SESSION

Proposal to Establish a Zero Sort Recycling Processing Facility at the City's Solid Waste Complex on River Road.

LEWISTON CITY COUNCIL
WORKSHOP AGENDA
AUGUST 7, 2012
6:00 P.M.

1. Proposal to Establish a Zero Sort Recycling Processing Facility at City Solid Waste Complex on River Road.

The City has been approach by Casella Resource Solutions regarding the potential to establish a single-sort recycling processing facility at our solid waste complex on River Road. At the present time, the city has a contract with Casella to transport our recyclable materials to its processing facility in Charlestown, Massachusetts, which also handles materials from other Casella customers in Maine. At Charlestown, recyclables are sorted, separated, and shipped to customers to be used in new products.

Under this proposal, a similar operation would be established in Lewiston. Casella estimates that this would involve an investment of \$4 million to retrofit and add a 15,000 square foot expansion to our existing transfer station. Materials would be received from customers throughout Maine. Casella estimates that about 25 jobs would be created with an annual payroll of \$1 million.

The City's current facility is primarily used to transfer zero sort materials from Lewiston and a number of surrounding communities. Materials are brought to the station, transferred into larger vehicles, and shipped to Charleston. Given the size of our facility, it is significantly underutilized.

This proposal would not include the City's landfill which will continue to be owned, operated, and overseen by the City and our employees.

This proposal presents a number of potential advantages to the City including:

- Enhanced use of our currently underutilized transfer station building
- Additional employment
- Enhanced real and personal property taxes
- Annual lease payments
- Reduced costs associated with our zero-sort recycling program since material will no longer need to be shipped to Massachusetts
- Potential growth in the acceptance of zero-sort recycling by other communities due to a reduction in shipping costs.

Dan Emerson from Casella will be present at the workshop to review this proposal with you and address any questions you may have.

In addition to introducing this proposal, we would seek Council direction on whether to proceed with lease negotiations with Casella that would fully outline the nature of the operation and the relationship between Casella and the City on this facility.

City of Lewiston Zero-Sort® Recycling Facility

Council Workshop

August 7, 2012



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Casella's Philosophy

- *To Casella, green is much more than an empty promise or marketing tactic...*
 - *It's our livelihood.*
- *We work closely with our customers to recover resources by diverting more and more material from the waste stream.*
 - *For whatever is left over, we provide safe and responsible disposal solutions.*
- *Casella's commitment to our customers and to resource management earned Casella the recognition as a Climate Leader by the Environmental Protection Agency (EPA).*
- *Casella is the largest recycler in the State of Maine.*
- *In short, Casella's goal is to transform everything we touch in to something reusable to create a better tomorrow.*

Zero-Sort® is how recycling gets done...

Leader in Zero-Sort® Recycling

- Casella operates 5 state-of-the-art Zero-Sort® recycling facilities across the Northeast, processing and marketing 500,000 tons annually
 - *Charlestown, MA (Lewiston tons are shipped to Charlestown, MA)*
 - *Auburn, MA*
 - *Ontario County, NY*
 - *Rutland, VT*
 - *Tompkins County, NY (Joint Venture Facility)*
- Zero-Sort maximizes collection efficiency and increases participation and recovery
- Zero-Sort puts more of your stuff back out into the world as a resource and less of it into the landfill
- Cans become new cans, paper becomes insulation, recycled steel takes families on vacation
- Zero-Sort® Recycling results in a reduction in our greenhouse gas emissions

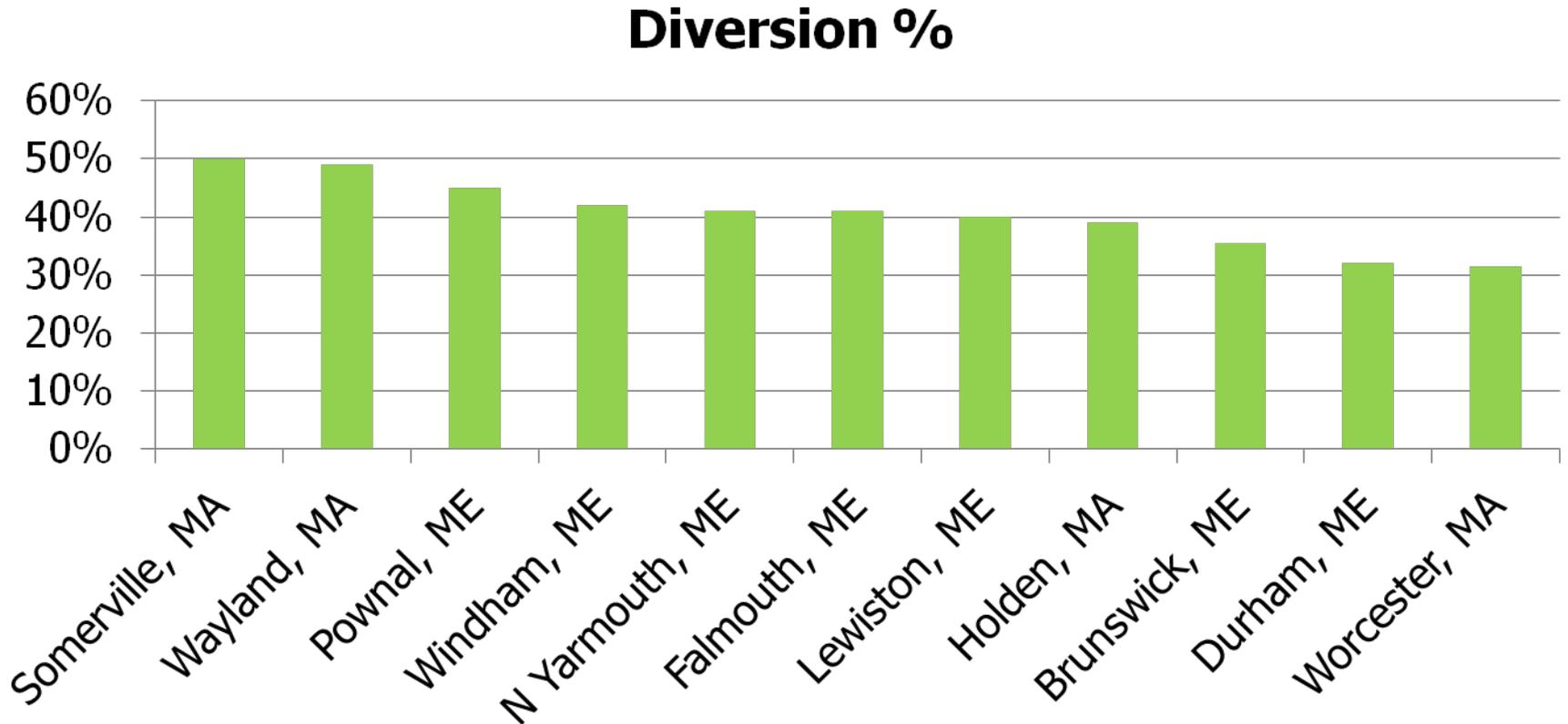


Leader in Zero-Sort[®] Recycling

- **In 2011 Casella Handled 109,532 Tons of Recyclable Materials in the State of Maine**
- **What does Zero Sort[®] mean to our customers?**
 - Increases Landfill Life
 - Brunswick: 30% reduction in disposal volumes or 1,500 tons per year not entering the landfill
 - Significant disposal savings through increased recycling rates
 - Zero Sort Recycling[™] makes education and implementation easier
 - Customers Love the program , it's easy and it makes them feel good about doing the right thing
 - Zero-Sort[®] is about going **GREEN**

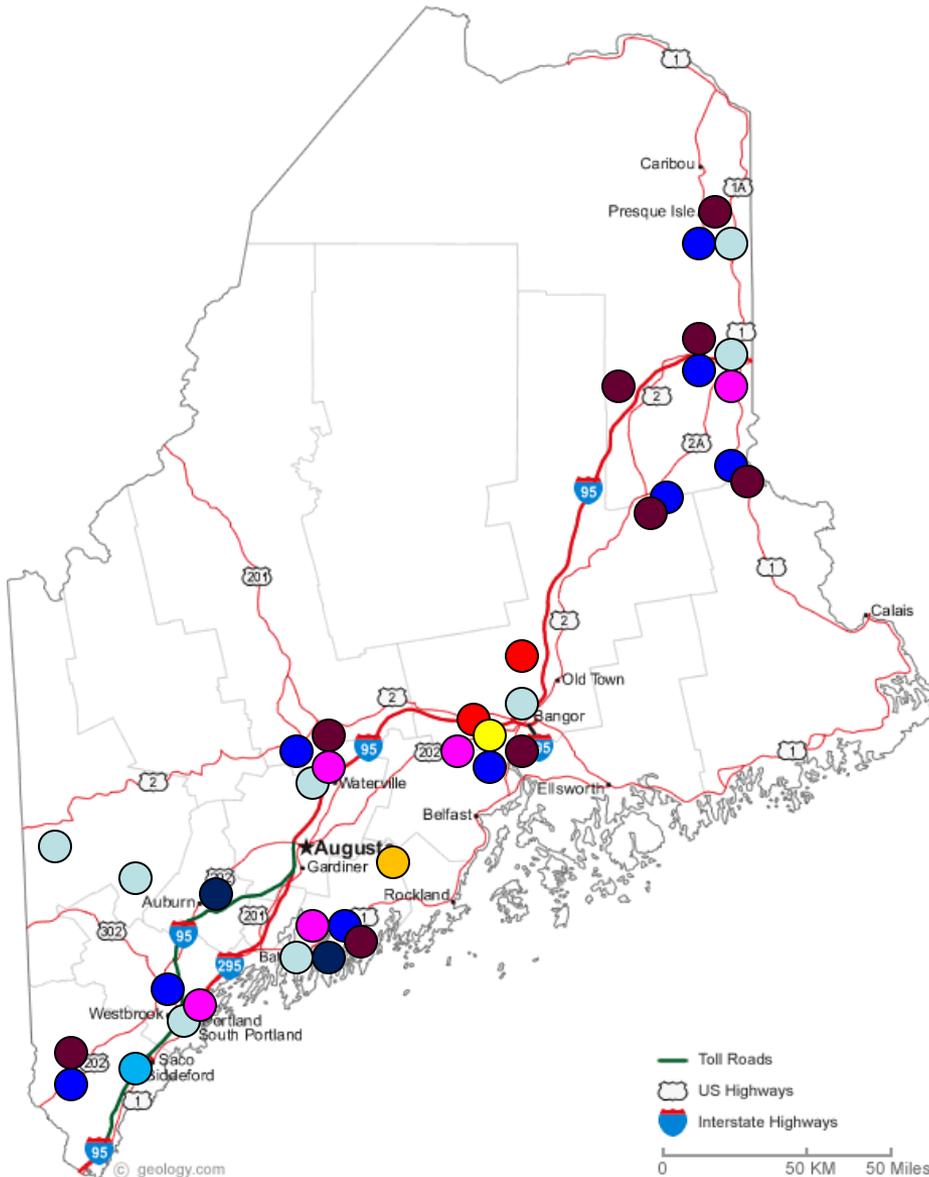


Examples of Recycling Rates



Recycling has reduced the overall disposal costs of solid waste management in all the communities we serve.

Our Facilities in Maine



Casella Facilities* in Maine 2011

•Owned or Operated

- | | | | |
|---|--|---|------------------------|
| 8 | HAULING COMPANIES | 9 | TRANSFER STATIONS |
| 5 | RECYCLING FACILITIES | 2 | LANDFILLS |
| 9 | UNIVERSAL & E-WASTE CONSOLIDATION FACILITIES | 1 | ORGANICS FACILITY |
| 1 | WASTE-TO-ENERGY | 1 | GAS-TO-ENERGY FACILITY |
| 2 | C&D PROCESSING FACILITIES | | |

Why Lewiston

- For the very same reasons Lewiston has become the Distribution Center for many companies in Maine!
 - Lewiston values corporate partnerships and the need for job creation
 - Lewiston is an excellent geographic and logistic location to minimize trucking and fuel usage. Less Greenhouse Gas emissions.
 - Lewiston encourages innovation, creativity and is committed to the future of sustainability
 - The Lewiston area offers significant recycling growth as well as being a recycling hub for other Maine communities.
 - Proposed site is perfect for access and is under utilized
 - Casella has over 25 years of history working cooperatively with Lewiston
- Lewiston is ideal for showcasing a Casella Zero-Sort® Facility



Proposed Lewiston Zero-Sort[®] Facility

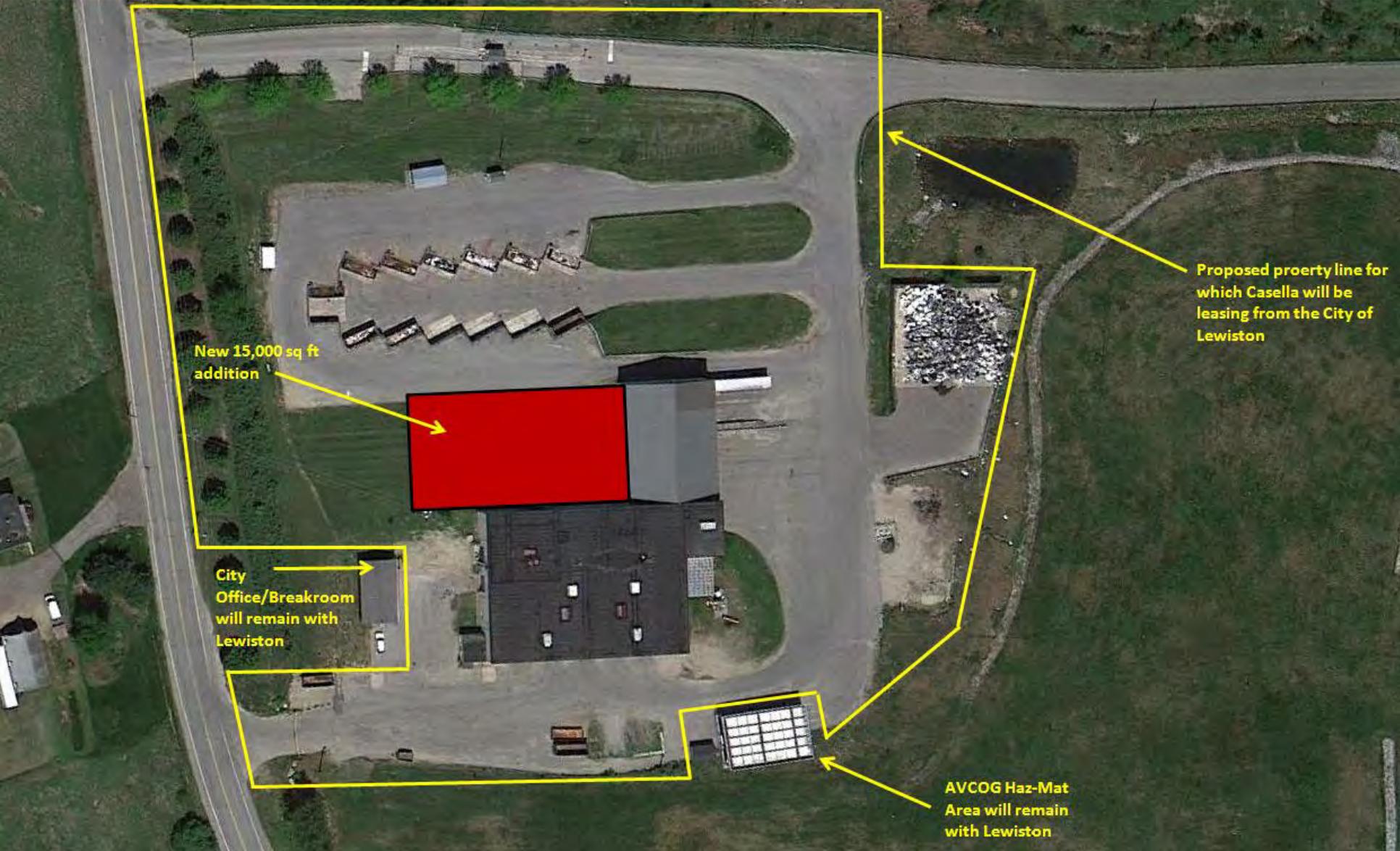
- Casella's estimated investment would be approximately \$4 million to retro-fit the existing Lewiston Transfer Station
- The proposed facility would create **25** new good paying jobs to Lewiston's economy
 - \$1M in annual payroll at full facility capacity
- Financial Benefits for the City of Lewiston
 - Real Estate Taxes
 - Personal Property Taxes
 - 30 year lease agreement
 - Savings in operating costs at existing facility
 - Job creation results in higher spending in the community
- Locating a Zero-Sort[®] Recycling facility at Lewiston's solid waste facility would reduce the cost of Zero-Sort[®] recycling and make it more affordable for and accessible to Maine's communities.



Lewiston's Zero-Sort[®] Facility

- Hours of Operation
 - M-F - 7am – 5pm, Sat 8am – 12pm
- Inbound Volume
 - Beginning volume is approximately 20K tons per year
 - Expected growth will maximize the facility at approximately 45K tons per year
- Traffic
 - 10 trucks initially and 20 trucks at full capacity per day of inbound volume
 - 5 trucks initially and 10 trucks at full capacity per day of marketed volume outbound
 - 25 employees initially and 35 employees at full capacity
- Average % of materials recycled is 92.5%
- Average % of residue from processing is currently 7.5%
- Casella will assume all operating costs associated with the facility including the operation of the scale, utilities, site maintenance, etc...

Proposed Site Layout



Summary

- Partnership with Maine's largest recycler to increase recycling and save valuable landfill space across the State of Maine
- Financial benefits for the City of Lewiston and putting to work an underutilized transfer station in an excellent geographic/logistic location
- Lewiston would be the showcase for Zero-Sort® in Maine
- Lewiston would be the recycling hub for Maine communities
- 25 new full-time jobs
- Real Estate & Personal Property Tax benefits
- Zero-Sort® is how recycling gets done...



Casella
waste systems, inc.

