

**LEWISTON CITY COUNCIL AGENDA
CITY COUNCIL CHAMBERS
MARCH 1, 2016**

6:00 p.m. Executive Sessions

- ES-1. Executive Session to discuss Disposition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City- 20 minutes
- ES-2. Executive Session to discuss Acquisition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City - 20 minutes
- ES-3. Executive Session to discuss an Economic Development issue regarding Contract Negotiations - 10 minutes

7:00 p.m. Regular Meeting

Pledge of Allegiance to the Flag.
Moment of Silence.

Acceptance of minutes of the meeting of February 16, 2016.

Public Comment period - Any member of the public may make comments regarding issues pertaining to Lewiston City Government (maximum time limit is 15 minutes for all comments)

ALL ROLL CALL VOTES FOR THIS MEETING WILL BEGIN WITH THE COUNCILOR OF WARD 5.

CONSENT AGENDA: All items with an asterisk (*) are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member or a citizen so requests, in which event, the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

- * 1. Order authorizing execution of a Municipal Quitclaim Deed for Real Estate located at 21 Howard Street.
- * 2. Order authorizing execution of a Municipal Quitclaim Deed for Real Estate located at 590 Webster Street.
- * 3. Order authorizing execution of a Municipal Quitclaim Deed for Real Estate located at 33 Avon Street Rear.
- * 4. Order authorizing the City Administrator to dispose of the property located at 168 Blake Street though negotiations with potentially interested parties.
- * 5. Order authorizing the Public Works Department to post roadways prohibiting vehicles with a gross vehicle weight greater than 23,000 pounds from traveling on certain roads at the discretion of the Public Works Director.

REGULAR BUSINESS:

- 6. Public Hearing on the renewal application for a Special Amusement Permit for Live Entertainment for Sea Asian Bistro, 40 East Avenue.

7. Consideration of the Pay As You Throw (PAYT) Education and Public Participation Effort.
8. Request from the Lewiston Green-Independent Party to use Lewiston City Hall to hold their municipal caucus on March 13.
9. Adoption of City Council meeting schedule for the months of July and August.
10. Update from the Lewiston School Committee Representative.
11. Reports and Updates.
12. Any other City Business Councilors or others may have relating to Lewiston City Government.
13. Executive Session pursuant to MRSA Title 1, section 405 (6) (c) to discuss an Economic Development issue of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.
- + 13B. Executive Session to discuss Acquisition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.
14. Executive Session to discuss labor union negotiations regarding the city's six employee unions.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. ES-1

SUBJECT:

Executive Session to discuss Disposition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6)(c), to discuss Disposition of Property, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. ES-2

SUBJECT:

Executive Session to discuss Acquisition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/Kimm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6)(c), to discuss Acquisition of Property, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL
MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. ES-3

SUBJECT:

Executive Session to discuss an Economic Development issue regarding Contract Negotiations.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/4mm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an executive session, pursuant to MRSA Title 1, section 405 (6)(c), to discuss an Economic Development issue regarding Contract Negotiations.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 1

SUBJECT:

Order Authorizing execution of a Municipal Quitclaim Deed for Real Estate located at 21 Howard Street.

INFORMATION:

One of the most powerful collection tools in a municipality's arsenal is the ability to lien properties for delinquent taxes (real and special only), water and sewer balances, and most recently stormwater balances. Once a lien is recorded, eighteen months must lapse without payment before the lien matures. Prior to maturity, the City Council may waive the right to foreclose on a maturing lien as you have done in the past. If the lien is permitted to mature, the municipality may elect to foreclose on the property or, if subsequent payment is received, return the property to its owner via a quitclaim deed.

At this time, the Finance Director is asking the Council to approve a municipal quitclaim deed for the property located at 21 Howard Street. The quitclaim deed will release any interest the City may have by virtue of undischarged real estate tax liens or utility liens on this property. Payment of a tax lien has been received in full. Should the Council approve this order, the quitclaim will be issued to the owners.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To approve the Order authorizing execution of a municipal quitclaim deed for real estate located at 21 Howard Street.



**City of Lewiston Maine
City Council Order
March 1, 2016**

Order, Authorizing Execution of a Municipal Quitclaim Deed – Real Estate Located at 21 Howard Street.

WHEREAS, the owner, Charles A. Wasajja, failed to pay his utility bills on a timely basis at 21 Howard Street (Tax Map 195, Lot 258, Parcel 00-000326); and

WHEREAS, a water lien was filed on February 18, 2011 (Book 8118 Page 22) and matured on August 19, 2012 in the amount of \$157.02; and

WHEREAS, a sewer lien was filed on February 18, 2011 (Book 8117 Page 284) and matured on August 19, 2012 in the amount of \$449.74; and

WHEREAS, a water lien was filed on September 14, 2011 (Book 8237 Page 115) and matured on March 15, 2013 in the amount of \$312.74; and

WHEREAS, a sewer lien was filed on September 14, 2011 (Book 8237 Page 8), and matured on March 15, 2013, in the amount of \$509.39; and

WHEREAS, a water lien was filed on March 2, 2012 (Book 8348 Page 117) and matured on September 1, 2013 in the amount of \$325.46; and

WHEREAS, a sewer lien was filed on March 2, 2012 (Book 8348 Page 185) and matured on September 1, 2013 in the amount of \$499.17; and

WHEREAS, a water lien was filed on December 21, 2012 (Book 8567 Page 229) and matured on June 22, 2014 in the amount of \$184.28; and

WHEREAS, a sewer lien was filed on December 21, 2012 (Book 8567 Page 296) and matured on June 22, 2014 in the amount of \$161.59; and

WHEREAS, payment was received in full on February 17, 2016;

NOW, THEREFORE, BE IT ORDERED by the CITY COUNCIL of the CITY of LEWISTON, the issuance of a quitclaim deed for 21 Howard Street to release the City's interest in the property to the owner is hereby authorized.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 2

SUBJECT:

Order Authorizing execution of a Municipal Quitclaim Deed for Real Estate located at 590 Webster Street.

INFORMATION:

One of the most powerful collection tools in a municipality's arsenal is the ability to lien properties for delinquent taxes (real and special only), water and sewer balances, and most recently stormwater balances. Once a lien is recorded, eighteen months must lapse without payment before the lien matures. Prior to maturity, the City Council may waive the right to foreclose on a maturing lien as you have done in the past. If the lien is permitted to mature, the municipality may elect to foreclose on the property or, if subsequent payment is received, return the property to its owner via a quitclaim deed.

At this time, the Finance Director is asking the Council to approve a municipal quitclaim deed for the property located at 590 Webster Street. The quitclaim deed will release any interest the City may have by virtue of undischarged real estate tax liens or utility liens on this property. Payment of a tax lien has been received in full. Should the Council approve this order, the quitclaim will be issued to the owners.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EATB/kmm

REQUESTED ACTION:

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To approve the Order authorizing execution of a municipal quitclaim deed for real estate located at 590 Webster Street.



**City of Lewiston Maine
City Council Order
March 1, 2016**

**Order, Authorizing Execution of a Municipal Quitclaim Deed – Real Estate
Located at 590 Webster Street.**

WHEREAS, the owners Marcel R. Giroux and Jeanne D’Arc failed to pay their utility bill on a timely basis at 590 Webster Street (Tax Map 121, Lot 1, Parcel 00-000736); and

WHEREAS, a stormwater lien was filed on June 19, 2014 (Book 8936 Page 279), and matured on December 19, 2015, in the amount of \$105.01; and

WHEREAS, payment was received in full on February 4, 2016;

NOW, THEREFORE, BE IT ORDERED by the CITY COUNCIL of the CITY of LEWISTON, to issue a quitclaim deed for 10 Turgeon Street to release the City’s interest in the property to the owner.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 3

SUBJECT:

Order Authorizing execution of a Municipal Quitclaim Deed for Real Estate located at 33 Avon Street Rear.

INFORMATION:

One of the most powerful collection tools in a municipality's arsenal is the ability to lien properties for delinquent taxes (real and special only), water and sewer balances, and most recently stormwater balances. Once a lien is recorded, eighteen months must lapse without payment before the lien matures. Prior to maturity, the City Council may waive the right to foreclose on a maturing lien as you have done in the past. If the lien is permitted to mature, the municipality may elect to foreclose on the property or, if subsequent payment is received, return the property to its owner via a quitclaim deed.

At this time, the Finance Director is asking the Council to approve a municipal quitclaim deed for the property located at 33 Avon Street Rear. The quitclaim deed will release any interest the City may have by virtue of undischarged real estate tax liens or utility liens on this property. Payment of a tax lien has been received in full. Should the Council approve this order, the quitclaim will be issued to the owners.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To approve the Order authorizing execution of a municipal quitclaim deed for real estate located at 33 Avon Street Rear.



**City of Lewiston Maine
City Council Order
March 1, 2016**

Order, Authorizing Execution of a Municipal Quitclaim Deed – Real Estate Located at 33 Avon Street Rear.

WHEREAS, the owners, Diane C. and Robert R. Belanger, failed to pay their real estate tax bill on a timely basis at 33 Avon Street Rear (Tax Map 206, Lot 041, Parcel 00-000714); and

WHEREAS, a tax lien was filed on June 18, 2014 (Book 8933 Page 30) and matured on December 18, 2015 in the amount of \$136.50; and

WHEREAS, payment was received in full on February 17, 2016; and

NOW, THEREFORE, BE IT ORDERED by the CITY COUNCIL of the CITY of LEWISTON, that issuance of a quitclaim for 33 Avon Street Rear to release the City's interest in the property to the owner is hereby authorized.

LEWISTON CITY COUNCIL
MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 4

SUBJECT:

Order authorizing the City Administrator to dispose of the property located at 168 Blake Street through negotiations with potentially interested parties.

INFORMATION:

The City condemned and demolished a structure on this 5,000 square foot lot some time ago. Subsequently, a tax lien matured and the City took possession. Staff was recently approached by an abutter expressing potential interest in acquiring this property to provide parking for his building. Staff has determined that the City has no need to retain this property and the Planning Board reviewed and recommended that it be sold through a bid process with a minimum bid requirement of \$10,000. The City Council accepted this recommendation, a request for bids was issued, and no responses were received, likely due to the required minimum bid. We believe there may still be a party or parties interested in acquiring this lot. The attached order would authorize the City to enter into direct negotiations with any interested party and to dispose of this property, subject to final Council approval.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To approve the Order authorizing the City Administrator to dispose of the property located at 168 Blake Street through negotiations with potentially interested parties.



COUNCIL ORDER

Order, Order, Authorizing the City Administrator to Dispose of the Property Located at 168 Blake Street through Negotiations with Potentially Interested Parties.

Whereas, in January of this year, the City Council authorized staff to dispose of the property located at 168 Blake Street through the bid process with a minimum bid requirement of \$10,000 and in accordance with the recommendation of the Planning Board; and

Whereas, a request for bids requiring a \$10,000 minimum bid was issued and abutters and other potentially interested parties were notified; and

Whereas, no bids were received; and

Whereas, potentially interested parties expressed the view that the minimum asking price was too high; and

Whereas, as previously recommended by City staff and the Planning Board, the City has no need to retain this property;

Now, therefore, be it ordered by the City Council of the City of Lewiston that

The City Administrator is hereby authorized to enter into negotiations for the sale of this property with potentially interested parties and to dispose of the property at 168 Blake Street subject to final approval of the City Council..

RE00008716
154 BLAKE ST
(Addr Pt ID 2139)

RE00010174
107 PIERCE ST
(Addr Pt ID 339)

RE00007342
158 BLAKE ST
(Addr Pt ID 5272)

RE00002808
109 PIERCE ST
(Addr Pt ID 5270)

RE00003124
166 BLAKE ST
(Addr Pt ID 1612)

RE00007307
113 PIERCE ST
(Addr Pt ID 1614)

RE00007304
168 BLAKE ST
(Addr Pt ID 6968)

RE00008451
115 PIERCE ST
(Addr Pt ID 6971)

Cond. CV

Zoning
D

RE00010158
172 BLAKE ST
(Addr Pt ID 5567)

RE00004989
119 PIERCE ST
(Addr Pt ID 8223)

RE00010158
174 BLAKE ST
(Addr Pt ID)

RE00010158
176.5 BLAKE ST
(Addr Pt ID)

RE00010158
176 BLAKE ST
(Addr Pt ID)

RE00010199
178 BLAKE ST
(Addr Pt ID 3121)

RE00003039 RE00002586
182 BLAKE ST 131 PIERCE ST
(Addr Pt ID 5822) (Addr Pt ID)

RE00008117
186 BLAKE ST
(Addr Pt ID 7361)



LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 5

SUBJECT:

Order Authorizing the Public Works Department to post roadways prohibiting vehicles with a gross vehicle weight greater than 23,000 pounds from traveling on certain roads at the discretion of the Public Works Director.

INFORMATION:

The Public Works Department is requesting authorization to post certain roads prohibiting vehicles having a gross vehicle weight of over 23,000 pounds. This action is necessary in order to prevent damage to the base and pavement of the roads during the spring thaw. This is a standard item that most municipalities do each spring.

Approval is recommended.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/1/1/11

REQUESTED ACTION:

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To approve the Order authorizing the Public Works Department to post roadways prohibiting vehicles with a gross vehicle weight greater than 23,000 pounds from traveling on certain roads at the discretion of the Public Works Director.



COUNCIL ORDER

ORDER, Authorizing the Public Works Department to Post Roadways Prohibiting Vehicles With a Gross Weight Greater than 23,000 Pounds from Traveling on Certain Roads at the Discretion of the Public Works Director.

Whereas, spring road posting is done to prevent damage to the road base and pavement during the critical period of time when the frost is thawing from the road base; and

Whereas, historically, this period of time is when the roads are the most susceptible to damage from heavy weight traffic; and

Whereas, the streets and roadways to be weight limited are those with an open ditch drainage system and no under drains; and

Whereas, exceptions can and are made if road conditions are favorable on a case-by-case basis by the Director of Public Works or his designee; and

Whereas, exempted vehicles include all vehicles or combination of vehicles 23,000 pounds or less, emergency response vehicles, school buses, fuel delivery trucks, State or municipal highway maintenance vehicles, or authorized vehicles under the direction of a public jurisdiction engaged in emergency maintenance of a public highway thereof;

Now, therefore, be it Ordered by the City Council of the City of Lewiston that

the Public Works Department is authorized to post 23,000 pound weight limits for the following streets:

Ferry Road –	from Cottage Road to River Road
River Road –	from Ferry Road to the Solid Waste Facility
Dyer Road –	from Lisbon Road to Ferry Road
Pinewoods Road –	from Ferry Road to Town Line
Gayton Road –	from Lisbon Road to Town Line
Webster Road –	from Old Lisbon Road to Crowley Road
Merrill Road –	from College Road to Main Street
Sleeper Road –	from Merrill Road to Town Line
Randall Road –	from Sunrise Lane to Grove Street
Grove Street –	from Randall road to Town Line
Old Greene Road –	from North Temple Street to Town Line
No Name Pond Road –	from Old Greene Road to Town Line
Pond Road –	from Cherrywood Drive to No Name Pond Road

LEWISTON CITY COUNCIL
MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 6

SUBJECT:

Public Hearing on the renewal application for a Special Amusement Permit for Live Entertainment for Sea Asian Bistro, 40 East Avenue.

INFORMATION:

We have received a renewal application for a Special Amusement Permit for Live Entertainment from Sea Asian Bistro, 40 East Avenue.

The Police Department has reviewed and approved the application.

There was no reference to this business or property address in the Council Constituent Concern log, as maintained by the Administrator's Office.

The business owner has been notified of the public hearing and requested to attend.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/Kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To grant a Special Amusement Permit for Live Entertainment to Sea Asian Bistro, 40 East Avenue.

**CITY OF LEWISTON
APPLICATION FOR SPECIAL AMUSEMENT PERMIT**

Date of Application: 2/23/16

Expiration Date: Feb 16 2016

- Class A - \$125.00 - restaurants with entertainment, which **does not have dancing**
- Class B - \$125.00 - lounges/bars with entertainment, which **does not have dancing**
- Class C - \$150.00 - either restaurants or lounges/bars with entertainment, including dancing
- Class D - \$150.00 - function halls with entertainment, including dancing
- Class E - \$150.00 - dance hall or nightclub that admits persons under the age of 21
- Class F - \$150.00 - "chem-free" dance hall or nightclub for patrons aged 18 yrs and older, with no liquor

Renewal Applicants: Has any or all ownership changed in the 12 months? Yes No

****PLEASE PRINT****

Business Name: Sea Asian Bistro Business Phone: 207 795 6888

Location Address: 40 East Ave Lewiston ME 04240

(If new business, what was formerly in this location: _____)

Mailing Address: 40 East Ave Lewiston ME 04240

Email address: seathome@email.com

Contact Person: Frank Tam Phone: 207 795 6888

Owner of Business: Sai Qi Dou Date of Birth: _____

Address of Owner: 36 Pine Street Lewiston ME 04240

Manager of Establishment: _____ Date of Birth: _____

Owner of Premises (landlord): _____

Address of Premises Owner: _____

Does the issuance of this license directly or indirectly benefit any City employee(s)? Yes No
If yes, list the name(s) of employee(s) and department(s): _____

Have any of the applicants, including the corporation if applicable, ever held a business license with the City of Lewiston? Yes No If yes, please list business name(s) and location(s): _____

Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of the law? ____ Yes ____ No If yes, please explain: _____

CORPORATION APPLICANTS: Please attach a list of all principal officers, date of birth & town of residence

Corporation Name: _____

Corporation Mailing Address: _____

Contact Person: _____ Phone: _____

Do you permit dancing on premises? ____ Yes No (If yes, you must first obtain a dance hall permit from the State Fire Marshall's Office) If yes, do you permit dancing or entertainment after 1:00 AM? ____ Yes ____ No

What is the distance to the nearest residential dwelling unit both inside and outside the building from where the entertainment will take place? _____

Please describe the type of proposed entertainment:

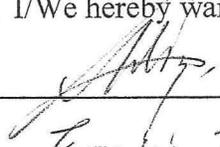
- dancing
- music by DJ
- live band/singers
- stand up comedian
- karaoke
- magician
- piano player
- other, please list _____
- other, please list _____

If new applicant, what is your opening date?: _____

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto.

I/We hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We hereby waive any rights to privacy with respect thereto.

Signature:  Title: Mayor Date: 2-23-16
Printed Name: Frank Tam

Hearing Date: 3-1-16



POLICE DEPARTMENT

Michael J. Bussiere
Chief of Police



TO: Kelly Brooks, Deputy City Clerk

FR: Lt. Adam D. Higgins, Support Services

DT: November 24, 2015

RE: Liquor License/Special Amusement Permit – **Sea Asian Bistro Inc.**

We have reviewed Liquor License/Special Amusement Permit Application and have no objections to the following establishment;

Sea Asian Bistro
40 east Ave.



171 Park St • Lewiston, Maine • 04240 • Phone 207-513-3137 • Fax 207-795-9007
www.lewistonpd.org



Professionalism

Integrity

Compassion

Dedication

Pride

Dependability

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 7

SUBJECT:

Consideration of the Pay As You Throw (PAYT) Education and Public Participation Effort.

INFORMATION:

The City Council has been discussing a Pay as You Throw proposal for the City of Lewiston since January of 2015. In July 2015, the Council authorized staff to proceed with a contract to provide a public education and community engagement process on the PAYT system and authorized the \$30,000 cost. An RFP was issued and a contract awarded in August with WasteZero. Subsequently in September, after discussion of whether this effort should be deferred until a new City Council was in office, the Council's direction was to proceed with the effort. Whether to continue was again discussed at a Council workshop last month, and the Council indicated that it would provide direction at its March 1st meeting. Since then, this has also been discussed by the Public Works Committee (see attached excerpts from the minutes).

At this point, staff is looking for direction from the Council on whether to proceed with or abandon this effort. Please see the attached further background on this issue.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator requests direction from the City Council on whether or not to proceed with this program.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To adopt one the following motions:

A. To direct staff to proceed with the Public Education and Participation Process for the Pay As You Throw system.

B. To direct staff to take the necessary actions to abandon the Public Education and Participation Process for the Pay As You Throw system.



EXECUTIVE DEPARTMENT

Edward A. Barrett, City Administrator
Phil Nadeau, Deputy City Administrator

February 25, 2016

To: Honorable Mayor and Members of the City Council
Fr: Edward A. Barrett
Su: Lewiston Solid Waste System and Pay as You Throw Proposal

In January of last year, the City Council began discussing a Pay as You Throw proposal for the City of Lewiston. The attached January 7, 2015 memo served as the basis for the initial Council workshop discussion. This discussion continued in May 2015 when additional information was presented on this approach (see May 7, 2015 memo attached) and representatives of WasteZero, a company that specializes in implementing and managing PAYT systems made a presentation to the Council.

In July 2015, the Council authorized staff to proceed with a contract to provide a public education and community engagement process on the PAYT system and authorized the \$30,000 cost (see attached). An RFP was issued and a contract awarded in August to WasteZero. Subsequently in September, a number of Councilors suggested that it might be appropriate to defer this effort until after the election and the new City Council was in office. After discussion, the Council's direction was to proceed with the effort.

Staff initiated discussions with WasteZero and initial organization and planning was done. However, during the November election campaign, it became apparent that some current and potential Councilors might be uncomfortable with pursuing this effort at this time. Given this uncertainty, we placed a hold on actually initiating the education and participation campaign pending the inauguration of the new Council.

The Council discussed this issue at a February workshop and indicated that it would be prepared to provide staff with direction on whether or not to continue this effort at its March 1st meeting.

Since then, the Public Works Committee has also met and discussed this. A copy of the portion of its meeting devoted to this subject is attached. At that meeting, the Committee voted approved a motion to move forward with the program by a 5-0 vote. (Please note that Ben Martin, who had to leave the meeting prior to the vote, indicated that he was opposed.)

A variety of other information on the PAYT system was provided at the Council Workshop. This material can be viewed at <http://me-lewiston.civicplus.com/ArchiveCenter/ViewFile/Item/3013>.

Should you have any questions or need anything else, please let me know.

Ed

EXERPTS FROM THE PUBLIC WORKS COMMITTEE MEETING MINUTES OF FEBRUARY 26, 2016 -- DISCUSSION OF PAYT PUBLIC EDUCATION PROGRAM

- Dave Jones reviewed the PAYT contract with WasteZero with the emphasis on the Public Education program scope of services. The City Council had asked the PW Committee for a recommendation on whether to proceed with the program or to stop. (Ben Martin had to leave the meeting about this time but indicated he was currently against moving forward with the program until other actions are taken as mentioned about the ePass program) A discussion followed.
 - Shane identified moving forward was being Pro-Active and helping folks identify the pros and cons with a PAYT program and that waiting until there was a funding crisis was not being pro-active.
 - There were concerns expressed, including Dave mentioning the education program will reach a limited number of people and if the Council were to go straight to a public referendum vote, it would very likely go down in defeat. Ed mentioned if the a pilot program was adopted as part of the budget for a trial period (9-12 months), it would not be subject to a referendum until after that budget year. This would give time to generate data to help make a more informed decision on the longer term decisions.
- A motion was made by David Chittim and seconded by John Butler to move forward with the education program. The vote was 5-0. Shane recognized Joline Beam had been supportive of moving this forward and that Ben Martin had been against. We do not know how Gary St Laurent or Richard Desjardins would have voted.
 - All members recognized without a Pilot Program or trial period when data could be collected to identify the savings to the City, and a period when residents could experience the program, a referendum would very likely result in defeat. Shane indicated the Council will need to address that during their discussions.

WASTEZERO TRASH METERING AGREEMENT

This WasteZero Trash Metering Agreement (this "Agreement") is made and entered into this the 29th day of September, 2015 (the "Effective Date"), by and between WasteZero, Inc., a Delaware corporation, hereinafter referred to as "WasteZero", and Lewiston, Maine, hereinafter referred to as "Municipality".

WITNESSETH

WHEREAS, Municipality desires to hold a two-stage process, first to propose and educate the public about a fairer and more equitable system of solid waste finance that can reduce landfilled waste and increase recycling and second, upon approval of the City Council, implement and execute such a system;

WHEREAS, over the last two decades, WasteZero has become the nation's leading municipal partner to implement variable rate solid waste finance programs that "meter the trash", thereby allocating the costs of municipal waste disposal to residents based on their use of services and creating incentives to reduce landfilled waste and encourage recycling; and

WHEREAS, WasteZero designs, communicates, implements and manages the WasteZero Trash Metering® Program and manufactures and sells WasteZero Trash Metering® Bags (the "Official Municipal Bags") used therein; and

WHEREAS, Municipality desires to explore and adopt the WasteZero Trash Metering® Program, whereby WasteZero will manufacture and distribute Official Municipal Bags to certain retail stores and provide certain logistics, accounting, collection and support services related thereto (the "Program").

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Term. This Agreement will be binding on all parties for a period from the Effective Date until the earlier of twelve (12) months or the Municipality's issuance of a written Notice to Proceed (the "Public Education and Communication Phase"). Upon receipt of a written Notice to Proceed, this Agreement will be binding on all parties for a period of five (5) years from the date of the Notice to Proceed (the "Initial Management Term"). Upon the expiration of the Initial Management Term, the Municipality may extend the term of the Agreement in its sole discretion for two (2) successive one (1) year terms, the "Management Extension Terms" (the Initial Management Term and the Management Extension Terms hereinafter collectively the "Term").

2. Public Education and Communications Services. During the Public Education and Communications Phase, WasteZero will provide the scope of services set forth in Exhibit A for that fixed fee (the "WasteZero Consulting Fee") also set forth in Exhibit A. If the Public Education and Communication Phase expires without the Municipality's issuance of a written Notice to Proceed, this Agreement will automatically terminate without any further action by the Parties.

3. WasteZero Services. After the Municipality issues a written Notice to Proceed and for the duration of the Term, WasteZero will (i) manufacture and supply Official Municipal Bags that comply with the specifications set forth in Exhibit B (the “Specifications”) to those retailers recommended by Municipality and set forth in Exhibit C (the “Retailers”) for sale by Retailers to residents of the Municipality; and (ii) provide the “Services” set forth in Exhibit C by the start date also set forth in Exhibit D. To enable WasteZero to provide the Services by the start date, Municipality agrees to perform its obligations also set forth in Exhibit D.

4. Program Implementation. The “Start Date” will follow the written Notice to Proceed and be the agreed date for complete implementation of the Program and the initiation of retail sales. The Start Date will be no less than ninety (90) days from the date of the Notice to Proceed. The Parties must work together to accomplish the “Program Implementation Schedule” set forth in Exhibit D. To enable WasteZero to provide the Services by the Start Date, Municipality agrees to perform its obligations also set forth in Exhibit D.

5. Designated Retailers. After the Notice to Proceed, Municipality will provide WasteZero with a recommended list of Retailers to be set forth on Exhibit C (the “Retailer List”) that Municipality would prefer to participate in the Program. WasteZero will assist Municipality to complete the Retailer List. WasteZero will provide those Retailers on the Retailer List with the “Retailer Letter Agreement” substantially similar to the letter set forth on Exhibit E describing the terms of participation in the Municipality’s Program (the “Retailer Terms”). Retailer participation will be subject to a Retailer’s acceptance of the Retailer Terms and will be reaffirmed each time Retailer accepts delivery of Official Municipal Trash Bags. Addition or removal of Retailers from the Retailer List will be subject to mutual agreement between WasteZero and the Municipality.

6. Exclusive Agreement. During the Term, so long as WasteZero is able to deliver sufficient Official Municipal Bags to the Municipality, the Municipality will not purchase or sell, directly or indirectly (i.e., through a third party) waste or recycling bags other than the Official Municipal Bags referred to herein.

7. Inventory Target. To ensure that an adequate inventory of Trash Metering Bag is available for purchase by Retailers, WasteZero will use commercially reasonable efforts to maintain an average number of Official Municipal Bags in WasteZero’s inventory in accordance with the target set forth in Exhibit C (the “Average Inventory Target”).

8. Terms of Distribution. Municipality acknowledges and agrees that Official Municipal Bags supplied to Retailers will be sold and supplied to Retailers by WasteZero on behalf of Municipality, such that upon a sale of Official Municipal Bags title to such Official Municipal Bags will first transfer from WasteZero to the Municipality and then from the Municipality to the Retailer. Retailers will submit written or verbal orders for Official Municipal Bags (“Orders”) directly to WasteZero, as Municipality’s agent. Orders will set forth the type and quantity of Official Municipal Bags. Orders received by WasteZero will be delivered within five (5) business days of Order placement, subject to WasteZero’s right to reject an Order for reasons related to violations of the Credit Policy and Procedures set forth in Exhibit F. If this period includes a holiday observed by WasteZero, then WasteZero will notify Retailers of schedule changes for the affected order. Deliveries of Official Municipal Bags pursuant to this Agreement will be F.O.B. any plant or warehouse of WasteZero.

9. Sales Tax. Retailers [will or will not] be required to charge sales tax on sales of Official Municipal Trash Bags at the point of sale. Municipality acknowledges and agrees that WasteZero is not liable to collect or remit sales or use tax for or on behalf of Municipality for the Supplies or Services provided to Municipality herein.

10. Bag Revenue. WasteZero will invoice Retailers the applicable Official Municipal Trash Bag purchase price set forth in Exhibit B (the “Retail Bag Prices”). All revenue received by WasteZero from the sale of Official Municipal Trash Bags to Retailers will be “Bag Revenue”.

11. Custodial Banking Account. WasteZero will deposit all Bag Revenue in a custodial banking account established by WasteZero in the name of Municipality in a bank insured by the Federal Deposit Insurance Corporation (the “Deposit Account”). The Municipality grants WasteZero permission to open the Deposit Account on behalf of Municipality in accordance with the Custodial Banking Agreement attached as Exhibit H. Municipality understands that the Deposit Account will be in the name of WasteZero and carry the tax identification number of WasteZero and authorized signers on the account will be properly authorized WasteZero employees. WasteZero will deposit all Bag Revenue into the Deposit Account.

12. Retailer Credit Terms. WasteZero will collect payment and enforce payment obligations in accordance with its policies set forth in Exhibit F. Municipality acknowledges that collection efforts made by WasteZero are on behalf of Municipality. Municipality reserves the right to take any collection actions in addition to or beyond those steps set forth on Exhibit F, and WasteZero will have no liability to Municipality for a failure to collect payment from a Retailer.

13. Compensation.

a. To compensate WasteZero for maintaining an average inventory of Official Municipal Trash Bags at the Average Inventory Target and providing the startup services described on Exhibit D, WasteZero will receive a one-time, non-refundable startup service fee out of the Bag Revenue set forth on Exhibit C as the “WZ Startup Service Fee”.

b. With respect to all Bag Revenue other than the WZ Startup Service Fee, WasteZero will receive that portion of fee set forth on Exhibit A as the “WZ Supplies and Services Fee”. MUNICIPALITY HEREBY AGREES THAT WASTEZERO IS PERMITTED AT ANY TIME TO WITHDRAW THE WZ STARTUP SERVICE FEE AND WZ SUPPLIES AND SERVICES FEE FROM THE DEPOSIT ACCOUNT. All Bag Revenue other than the WZ Startup Service Fee and WZ Supplies and Services Fee will be the property of Municipality (the “Municipal Revenue”).

c. At the Municipality’s election and specific authorization, any Additional Services ordered by Municipality and that are separately invoiced to Municipality in accordance with Exhibit C may also be deducted by WasteZero from Bag Revenue.

d. Within thirty (30) days following the end of each calendar month, WasteZero will provide to Municipality (i) the Municipal Revenue for the prior calendar month via wire transfer, and (ii) financial statements for such calendar month, including: a bank statement, invoice register, cash receipts journal and accounts receivable aging report. Municipality must provide the account information in Exhibit F.

14. Bag Pricing Adjustments.

a. Inflation Cost Adjustment. The parties agree that the WZ Supplies and Services Fee is set, in part, and is adjusted, to keep pace with inflation costs that include, but are not limited to, the costs of resin, shipping, labor and other costs. On each anniversary date during the Term, the WZ Supplies and Services Fee will be adjusted up by the fixed amount of CPI-U, All Urban Consumers, plus three percent (3%).

b. Extraordinary Resin Cost Adjustments. The parties agree that the WZ Supplies and Services Fee will be set, in part, and may be adjusted, based on the costs of resin. In the event of an extraordinary resin cost increase, defined as an increase over a ninety (90) day period of greater than twenty percent (20%) from a Benchmark Resin Rate set on the Effective Date of this Agreement, WasteZero will adjust the WZ Supplies and Services Fee by such increase. The Benchmark Resin Rate is calculated using the average of linear low-density polyethylene ("LLDPE") extrusion liner film for Volumes I and II as reported by Plastics News trade publication. If Plastic News ceases publication, then the resin cost will be based on the average cost of LLDPE resin as reported in another reputable publication chosen by WasteZero. WasteZero will give Municipality fourteen (14) days' prior written notice of any resin cost adjustment to the WZ Supplies and Services Fee.

c. Municipal Price Adjustments. Municipality may, at its sole discretion, increase the Retail Bag Price. Municipality must confer with WasteZero at least fourteen (14) days in advance of any such increase so WasteZero can prepared to manage inventory and communicate with Retailers.

15. Representations and Covenants.

a. Legal and Binding Agreement; Municipality's Obligations. Municipality has taken or will take any and all legal actions required in order for this Agreement to be binding on Municipality and its residents for the Term, including, if applicable, passage of a legislative resolution or ordinance adopting this Agreement or authorizing an official of the Municipality to enter it on the terms and conditions contained herein. Municipality will provide certification, if applicable, that the Official Municipal Bags qualify for a waiver of local and state sales, use, or other taxes. The Municipality retains all legislative discretion, including the discretion not to implement an ordinance and not to adopt the Program. However, if it does vote to implement the Program within twelve (12) months of the Effective Date, it will do so with WasteZero as the vendor under the terms of this Agreement.

b. Representations of WasteZero. WasteZero warrants that the Official Municipal Trash Bags will, in all material respects, meet the Specifications. In the event the Official Municipal Trash Bags delivered to Retailers fail to meet the Specifications in any material respect, WasteZero will, as Municipality's sole and exclusive remedy for such failure, replace the Official Municipal Trash Bags in accordance with WasteZero's Return and Replacement Policy as set forth on Exhibit E.

c. EXCEPT AS EXPRESSLY PROVIDED HEREIN, ALL OFFICIAL MUNICIPAL TRASH BAGS AND SERVICES PROVIDED BY WASTEZERO UNDER THIS AGREEMENT ARE PROVIDED "AS-IS" WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

16. Breach; Termination.

a. Termination for Breach. If either party reasonably concludes that the other is in material breach of this Agreement, such party will notify the other party in writing, including a detailed description of the alleged breach. If such breach is curable, the party alleged to be in breach will be allowed up to ninety (90) days after written notice by the other party in which to make necessary adjustments to remedy said deficiencies or to take action to remedy any deficiencies that require longer than ninety (90) days to cure. In the event the breaching party fails to correct (or take action to correct) such deficiencies within ninety (90) days after written notice of the deficiencies or breach, then the other party may terminate this Agreement, effective ninety (90) days after written notice of failure to correct (or failure to take action to correct) to the breaching party. If such breach is not curable, the Agreement will be terminated ninety (90) days from the date the non-breaching party provides the breaching party with written notice of such breach.

b. Insolvency. If any assignment is made by WasteZero or by any guarantor of WasteZero for the benefit of creditors, or if a petition is filed by WasteZero or by any guarantor of WasteZero for adjudication as bankrupt, or for reorganization or an arrangement under any provision of the U.S. Bankruptcy Act as then in force and effect, or if an involuntary petition under any of the provisions of the U.S. Bankruptcy Act is filed against WasteZero and such involuntary petition is not discharged within ninety (90) days thereafter, in any event Municipality may terminate this Agreement upon written notice to WasteZero.

c. Termination for Convenience. Municipality may terminate this Agreement at any time upon sixty (60) days written notice if the City eliminates its PAYT program for any reason.

d. Effect of Termination. After issuance of a Notice to Proceed, upon termination or expiration of this Agreement for any reason (i) WasteZero will ship to Municipality all Official Municipal Bags remaining in inventory, and Municipality will purchase from WasteZero all Official Municipal Bags in inventory on the effective date of termination at the then-current WZ Supplies and Services Fee, (ii) WasteZero will have no further liability or obligation under this Agreement, including without limitation, for servicing warranty claims, (iii) WasteZero will tender to Municipality the final Municipal Revenue, and (iv) WasteZero will have no continuing responsibility for the Services. Any other terms and conditions that contemplate performance following the effective date of termination or expiration, or that by their nature are intended to survive will survive termination, including specifically paragraph 15a.

17. Limitation of Liability. WASTEZERO WILL NOT BE LIABLE TO MUNICIPALITY, RETAILER, CUSTOMER OF RETAILER OR END USER FOR ANY SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, TREBLE OR PUNITIVE DAMAGES, OR ANY LOSS OF REVENUES, LOSS OF PROFITS OR LOSS OF REPUTATION ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE MANUFACTURE OR SALE OF PRODUCT OR PROVISION OF SERVICES. THESE LIMITATIONS APPLY EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF RECOVERING THESE DAMAGES OR LOSSES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, WASTEZERO'S AGGREGATE LIABILITY FOR ANY CLAIMS OR CAUSES OF ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE MANUFACTURE OR SALE OF PRODUCT OR PROVISION OF SERVICES WILL NOT EXCEED THE TOTAL AMOUNT

PAID BY MUNICIPALITY TO WASTEZERO DURING THE SIX MONTH PERIOD PRECEDING THE ACT GIVING RISE TO THE CLAIM FOR DAMAGES.

18. Force Majeure. WasteZero will not be liable for failure to perform under this Agreement if such failure arises out of causes beyond its reasonable control. Such causes may include but not be limited to acts of the government in its sovereign or contracted capacity, fires, floods, hurricanes, tornadoes, strikes, epidemics, quarantine restriction, freight embargoes, petroleum supply shortages or disruptions, and unusually severe weather. The obligations of WasteZero and Municipality, other than the obligation to pay money when due, shall be suspended if either party is unable to comply with this Agreement because of Force Majeure and WasteZero is unable to substitute bags of like kind and quality. Upon the elimination of the cause of such suspension, the respective obligations of WasteZero and Municipality shall be reinstated from the date of such elimination.

19. Insurance. WasteZero shall carry general liability insurance, including contractual liability coverage, in the amount of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in general aggregate. Upon written request, certificates of insurance naming Municipality as an additional insured will be provided to Municipality by WasteZero.

20. Non-Collusion. WasteZero has not entered into any agreement, directly or indirectly, or otherwise taken any action in restraint of free competitive bidding in connection with the submission of a bid or the engagement of Municipality for the purposes of entering into this Agreement.

21. Information and Cooperation. During the Term of this Agreement, Municipality will cooperate with WasteZero and provide WasteZero with any information reasonably requested by WasteZero for the performance of its obligations and tracking of Program performance. This information may include semi-annual updates on the number of households utilizing Municipality's and/or its designee's residential solid waste collection and/or disposal service, the actual corresponding residential municipal solid waste tonnage disposed, and the actual residential recycling tonnage received. WasteZero compiles information regarding Municipality's PAYT Program and may use this data in research and marketing reports, a copy of which will be provided to Municipality at Municipality's request. Municipality agrees that WasteZero may refer to Municipality's PAYT Program in its verbal and written communications.

22. Assignment. Neither party may assign this Agreement, or the rights hereunder, without prior written approval of the other, which approval will not be unreasonably withheld; provided, however, that WasteZero may, without any approval, assign this Agreement (i) to an affiliate of WasteZero or (ii) in connection with a merger or a sale or transfer of substantially all of WasteZero's assets (or such portion thereof relating to the subject matter of this Agreement). This Agreement will be binding upon and will inure to the benefit of the parties and their successors and assigns.

23. Governing Law; Arbitration. This Agreement will be governed by and construed in accordance with the laws of the state in which the Municipality is located. Any controversy or claim arising out of or related to this Agreement or any transactions contemplated herein that cannot be amicably resolved, will be resolved by binding arbitration held in the state in which the Municipality is located, or any other location mutually agreeable to the parties, by one arbitrator in

accordance with the commercial arbitration rules of the American Arbitration Association. Notwithstanding the origin of the controversy or claim, either party may initiate arbitration. The decree or judgment of any award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

24. Notice. All notices and other communications hereunder will be in writing and may be given by personal delivery, nationally recognized express courier, registered or certified mail (return receipt requested), or facsimile (receipt confirmed). Such notice will be deemed effective when received if it is given by personal delivery, nationally recognized express courier, or facsimile, and will be effective three (3) days after mailing by registered or certified mail, so long as it is actually received within five (5) days (and, if not so received within five (5) days, is effective when actually received) by the parties at the addresses (or at such other address for a party as will be specified by like notice) set forth below:

If to WasteZero, to:

8540 Colonnade Center Drive, Suite 312
Raleigh, North Carolina 27615
Attn: Cal Cunningham
Tele. No. (919) 322-1220
Email: ccunningham@wastezero.com

with a copy to:

Wyrick Robbins Yates & Ponton, LLP
4101 Lake Boone Trail, Suite 400
Raleigh, North Carolina 27607
Facsimile No.: (919) 781-4865
Attention: Larry E. Robbins

If to Municipality, to:

Attn:
Tele. No.:
Email:

25. Entire Agreement; Amendment. This Agreement (including the exhibits, schedules and attachments hereto) and the documents delivered pursuant hereto constitute the entire agreement and understanding among Municipality, Retailer and WasteZero and supersede any prior agreement and understanding relating to the subject matter of this Agreement. This Agreement may be modified or amended only by a written instrument executed by Municipality and WasteZero acting through their duly authorized representatives. The provisions of this Agreement constitute separate and independent covenants, and the invalidity or unenforceability of one or more of the provisions hereof will not affect the validity or enforceability of the remaining provisions.

26. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this WasteZero Trash Metering Agreement as of the Effective Date.

Municipality

By: Edward A. Barnett

Name: Edward A. Barnett

Title: City Administrator

Date: 9-29-15

WasteZero, Inc.

By: _____

Name: _____

Title: _____

Date: _____

ATTEST:

Name:
Title: Clerk to the Municipality

EXHIBIT A
Public Education and Communication Services

1. **Scope of Services:** During the Public Education and Communication Phase, WasteZero will provide the Scope of Services described herein (the “Scope of Services”). Without prior written approval, no extra work beyond the Scope of Services will be directed by Municipality and no extra work beyond the Scope of Services performed by WasteZero will be binding on or billable to Municipality (“Extra Work”). The Scope of Services is:
 - Key messages. WasteZero will develop a one- to two-page “talking points” document for City leaders that they can use to communicate consistently and effectively with residents, the media, and others in the community about the need for the Program, the proposed solution, and its benefits.
 - Educational website. WasteZero will develop, maintain, and host a website—with associated social media accounts as appropriate—to help communicate Program benefits and information to residents. The website will be based on WasteZero’s existing templates.
 - Stakeholder briefings. WasteZero will offer to conduct face-to-face meetings with the mayor, all members of the City Council and up to five additional members of city staff and community leaders nominated by the City Administrator to orient/educate them about PAYT.
 - Media briefings and support. WasteZero will conduct up to three face-to-face meetings with local media outlets to brief them on the need and the proposed solution. In addition, WasteZero will provide ongoing outreach to local media outlets throughout the duration of the contract.
 - Public meetings. WasteZero will deliver up to nine public/community group meetings, including a presentation about PAYT in Lewiston and a question and answer period. These meetings will be moderated by City staff and leaders according to best practices for such forums. In order to control costs and minimize the number of travel days, meetings must be scheduled in consultation with and on dates and times with consent of WasteZero.

2. **WasteZero Consulting Fee:** In consideration of WasteZero’s performance of the Scope of Services, Municipality agrees to pay WasteZero the fixed fee of Thirty Thousand and no/100 Dollars (\$30,000.00)(the “WasteZero Consulting Fee”), exclusive of sales, use or other transaction taxes. The WasteZero Consulting Fee will be due and payable within thirty (30) days of invoice, with invoices issued in the following amounts upon completion of the following benchmarks:
 - a. \$5,000 upon the Effective Date of this Agreement
 - b. \$7,300 upon launch of the educational website and completion of stakeholder briefings
 - c. \$17,700 upon completion of media briefings and public/community group meetings

Amounts not paid within thirty (30) days of the invoice date are subject to an administration charge on the outstanding balance, representing WasteZero’s cost of collecting such payment. The administrative charge is eighteen percent (18%) per annum or one and one-half per cent (1 ½%) per month or portion of a month during which the bill remains outstanding.

In the event the Municipality elects to terminate this Agreement prior to WasteZero's completion of the Scope of Services, the WasteZero Consulting Fee will be invoiced and payable on a reasonable pro rata basis, in an amount not less than \$10,000.

3. Extra Work: If the Scope of Services is increased or decreased, the quoted fee will be adjusted to reflect the change. At the Municipality's written request, Extra Work will be delivered at the rate of \$95 per hour.
4. Expenses: Expenses for in-scope work—such as out-of-town travel (including airfare, lodging, and meals)—are included in the WasteZero Consulting Fee. Additional expenses that are incurred due to City-approved Extra Work will be billed separately, at actual cost and with prior written approval from the City. Additional expenses include the cost of travel, lodging and meals directly related to WasteZero's performance of the Extra Work.
5. Waiver of Fee and Costs. If the Municipality issues a Notice to Proceed and WasteZero implements and administers the WasteZero Trash Metering® Program described in this Agreement, WasteZero will reimburse the WasteZero Consulting Fee in installments over the term of the Agreement.
6. Cooperation. WasteZero's ability to deliver the Scope of Services within the timeframe described in this Agreement is contingent on Municipality's cooperation. To that end, Municipality agrees:
 - a. to provide timely access to the project sponsor and key team members throughout the course of this project;
 - b. to provide full and timely access to relevant data within the control of Municipality and needed to conduct this project, and such data will be reasonably well organized and accessible;
 - c. to respond to meeting requests in a timely manner, attend scheduled meetings, and provide administrative support staff for meeting coordination; and
 - d. to provide timely feedback to draft program documents and information deliverables and require no more than three iterations of revision.

EXHIBIT B
Official Municipal Trash Bag Specifications

1. Except as may be require by Force Majeure, the bag specifications for this contract are:

Bag Description	Large "Trash"	Small "Tall Kitchen"
Retail Pack	5 Bags Per Package	8 Bags Per Package
Bag Size	33 by 35 inches	24 by 28 inches
Bag Gauge	1.5 mil	1.5 mil
Bag Type	3-ply, co-extruded	3-ply, co-extruded
Bag Composition	Includes recycled content	Includes recycled content
Bag Closure	Drawstring	Drawstring
Weight Limit Per Bag	40 Pounds	30 Pounds
Package Insert	Agreed custom program information (White insert)	Agreed custom program information (Yellow insert)
Bag Print	Logo/artwork plus agreed custom Program information (Registered)	Logo/artwork plus agreed custom Program information (Registered)
Exterior Bag Color	Blue	Blue
Capacity Equivalent	33 gallons	15 gallons

2. The Retail Bag Prices (price paid at point of sale):

Bag Size	Bags per roll	Rolls per case	Price per roll	Price per case
Large (33" x 35")	5	40	\$10.00	\$400.00
Small (24" x 28")	8	40	\$10.00	\$400.00

3. WZ Supplies and Services Fee (per Case), calculated on each anniversary after the Notice to Proceed, in accordance with Paragraph 12(a):

	Large (33"x35") Bags (Fee per Case)	Small (24"x28") Bags (Fee per Case)
Year 1	\$64.00	\$70.00

EXHIBIT C
Retailer List To Be Developed and Mutually Agreed upon
when/if full program is implemented

EXHIBIT D
Services

1. **Retail Store Distribution® Services:** WasteZero will work directly with retailers in and around the Municipality to recruit them to participate in the Program and set up those who agree to participate. WasteZero will provide secure, dependable supply chain management to ship the Official Municipal Trash Bags to the participating retailers. WasteZero will develop and register distinct UPC codes for the Program to assist tracking of and sales of Official Municipal Bags. WasteZero will take and enter orders from retailers and process those orders for timely shipment and delivery. WasteZero will maintain customer service support to assist retailers or residents with any issues that may arise.
2. **Inventory Management Services:** WasteZero will manufacture and inventory Official Municipal Bags at its fully bonded distribution facilities without the necessity of a purchase order or payment from Municipality. The inventory will remain titled to and insured by WasteZero until shipped to and received at a retail store. WasteZero will monitor inventory at its distribution centers to prevent stock outs or supply chain disruptions.
3. **Accounting and Funds Management Services:** WasteZero will handle all bookkeeping related to Retail Store Distribution® and Inventory Management, including billing and collecting payment from participating retailers and informing the Municipality of any retailers placed on a credit hold. WasteZero will manage, deposit all funds in and perform custodianship services with the approved bank account for Municipality. WasteZero will compile and provide to the Municipality monthly reports showing all retailer purchases, funds remitted from retailers and payments made to Municipality. WasteZero will also send notification to retailers of any Municipal-approved change in the Retail Bag Price.
4. **Program Manager.** WasteZero will assign a representative to serve as the Program’s coordinator (“**Program Manager**”). The Program Manager will act as a main point of contact and assist Municipality to answer questions or provide support with regard to all aspects of the Program Services and Program Supplies, subject to the limitations described herein. The Program Manager will ensure that all of the Program Services and Supplies outlined herein are delivered and that Municipality has a primary point of contact to assist with any Program-related matters that might arise.
5. **Program Design Consulting Services.** WasteZero will use its experience to propose a Program suitable to the Municipality based on the Municipality’s stated environmental, carbon reduction, waste diversion, recycling and financial goals. WasteZero will use its proprietary WasteZap® database to model benefits to the Municipality derived from the proposed Program design, based on recommended pricing and produce a Program Benefits Analysis (“**Benefits Analysis**”) that can be used by the Municipality to model Program results and track annual performance. The Benefits Analysis and other consulting services referred to herein will be based on information developed between WasteZero and Municipality and will require Municipality’s cooperation gathering information, such as the following: solid waste tonnage, recycling tonnage, disposal costs, solid waste operating budget/costs, and other data as agreed.
6. **Program Annual Review.** On or around each anniversary of the Notice to Proceed, WasteZero will provide a brief written report to Municipality (the “**Program Annual Review**”) that will assess the Program’s impact and identify municipal solid waste issues,

challenges and opportunities for improvement. The Program Annual Review will include historical trending information, track the performance of the Program and use WasteZap® to benchmark the Program against peer cities and towns.

7. Program Improvement Consulting Report: After the first Program Annual Review, WasteZero will work with Municipality to develop a brief Program improvement recommendations report (“Program Improvement Report”) that includes, but is not limited to, the addition of organics diversion, food waste composting, textiles recycling and/or hard to recycle materials to the Program. The parties must cooperate to define the scope of recommendations that the Program Improvement Report will address. The Municipality reserves the right to accept or reject the recommendations provided in the Program Improvement Report.
8. Communications Support Services. Prior to the Start Date and at each anniversary of the Notice to Proceed, WasteZero will assist with development of key messages and support for public communications of the Program. This communications support includes providing data and messaging to help publicly celebrate the successes of the Program, providing information that helps residents to become better partners and helping Municipality effectively handle questions and/or issues as they arise on an ongoing basis.
9. Media Support Services. Prior to the Start Date, WasteZero will provide media support that includes press engagement in coordination with Municipality, media story placement, messaging, assistance with frequently asked questions and related direct or indirect support, as needed. WasteZero's staff of public policy and media relations professionals will assist Municipality with planning of media engagement at Program launch. After the Start Date, WasteZero will be available upon reasonable request to assist with media inquiries.
10. Launch Announcement. Prior to the Start Date, WasteZero will work with Municipality to prepare a Program launch announcement suitable for mailing or distribution. The Program launch announcement will include information related to the launch of the Program, and contain references to both the website and the toll-free number described in this exhibit. Municipality must pay the costs of printing and mailing the launch announcement.
11. Program Website. WasteZero will establish a website at www.wastezero.com \< designation for Municipality >, where the <designation for Municipality> will be text that uniquely identifies Municipality to Residents, or another URL as agreed. Upon accessing the web page for Municipality, Residents will be presented with information on topics including but not limited to: (i) retailers carrying the Official Municipal Bags, (ii) materials that can be recycled at curbside within Municipality (if any), (iii) materials that can be recycled at convenience centers, including toxic materials such as paint and batteries (if any), (iv) convenience center locations, (v) as it becomes available, helpful information on reducing waste at home, or other information useful to residents, (vi) Municipality’s departmental website and /or appropriate local contact information for questions regarding curbside collection or other related local services, and (vii) the toll-free number further described in this exhibit. All information contained on the www.wastezero.com website or any supporting site will be developed, updated, and maintained in accordance with WasteZero’s standard tools, formats and templates.
12. Toll-Free Number Support. WasteZero will provide information to Residents through WasteZero’s Toll-Free Resident Information Service. During the Term of this Agreement,

WasteZero will provide an operational, automated toll-free number 24 hours per day, 7 days per week. Residents who call the toll-free number will be provided with self-service, pre-recorded information briefs on topics including but not limited to: (i) retailers carrying the Official Municipal Bags, (ii) materials that can be recycled at curbside within Municipality (if any), (iii) materials that can be recycled at convenience centers, including toxic materials such as paint or batteries (if any), (iv) convenience center locations, (v) how to access the WasteZero website for information as it becomes available on reducing waste at home, or other information useful to Residents and (vi) how to link to Municipality’s departmental website and/or appropriate local contact information for questions regarding curbside collection or other local services. All information presented through the toll-free number will be described, organized, and maintained in accordance with WasteZero’s standard tools, formats and templates.

13. **Additional Services.** Additional Services are any services, materials or supplies desired by Municipality but not agreed to be provided by WasteZero under the terms of this Agreement. Additional Services include, by way of illustration and not limitation, additional or more in-depth consulting, postage for the Program launch announcement and complimentary bags mailed to each household at Program launch. Upon mutual written agreement, WasteZero will perform Additional Services and directly bill Municipality or deduct the costs for such Additional Services from Bag Revenue.

14. **WasteZero Startup Services and Municipality Requirements.** WasteZero will provide the Services below in support of the startup timeframe. WasteZero’s performance of the Services is dependent on the timely completion of the Municipality’s requirements. Municipality acknowledges and agrees that any failure to perform its requirements within the applicable timeframes may delay WasteZero’s performance. No such delay will be a breach of this Agreement by WasteZero.

15. The Start Date will be: TBD (date no less than ninety (90) days after the Notice to Proceed).

16. Program Implementation Schedule (TBDs to be filled upon issuance of Notice to Proceed):

#	Program Service Activity	Responsible Party		To be completed on or before
		WasteZero	Municipality	
Supplies				
1	Provide artwork samples for bag and draft package insert copy	<input type="checkbox"/>		TBD
2	Provide high-resolution artwork (municipal logo or artwork) to be printed on the Trash Metering Bag		<input type="checkbox"/>	TBD
3	Provide final artwork proofs for approval	<input type="checkbox"/>		TBD
4	Approve final artwork		<input type="checkbox"/>	TBD
5	Provide feedback on package insert copy		<input type="checkbox"/>	TBD
6	Provide final package insert copy proofs for approval	<input type="checkbox"/>		TBD
7	Approve final package insert copy		<input type="checkbox"/>	TBD
Distribution and Retailers				

8	Submit to WasteZero a list of recommended Retailers that Municipality would like to invite to participate in the program		<input type="checkbox"/>	TBD
9	Create and send letters and collateral to retailers, outlining the retail store distribution *Requires finalization of Retail Bag Prices at least 2 days prior to	<input type="checkbox"/>		TBD
10	Deliver initial shipment of Trash Metering Bags to retailers	<input type="checkbox"/>		TBD
Services and Communications				
11	Provide Completed Municipal Information Forms for Website and Toll Free Number		<input type="checkbox"/>	TBD
12	Submit final proofs for website and Toll Free Number call flow to municipality for review	<input type="checkbox"/>		TBD
13	Approve website and Toll Free Number call flow		<input type="checkbox"/>	TBD
14	Launch website and Toll Free Number	<input type="checkbox"/>		TBD
15	Submit final proof for Program Brochure to municipality for review	<input type="checkbox"/>		TBD
16	Approve Program Brochure		<input type="checkbox"/>	TBD

17. Program Manager:

Harold Willis
5240 Colonnade Center Drive, Suite 210
Raleigh, NC 27615
Tele. No.: (919) 322-1223
Email: hwillis@wastezero.com

18. The Average Inventory Target is: 2 months

19. The WZ Startup Service Fee is: \$0.00

EXHIBIT E
Example Retailer Letter Agreement

Dear Retailer:

On behalf of [Municipality], we would like to thank you for your participation in the new WasteZero Trash Metering® Program by offering official municipal trash bags for retail sale. Your participation is a critical part of making the program a success. WasteZero looks forward to working with you to provide supplies and services for your retail customers.

TERMS OF PARTICIPATION

Among the key terms of your participation in the program is that you have to sell official municipal trash bags of the size and specifications selected by the [Municipality] at the unit cost set by them and may not mark up those prices. The official municipal trash bags [will/will not] be subject to the New York sales tax.

In order to prevent a stock-out of official municipal trash bags and prevent an inconvenience for your customers, you agree to keep a three (3) week supply of cases of each bag size on hand. Orders you place must be directed to WasteZero at the contact information in this letter and will ordinarily be delivered within five (5) business days of placement. Upon delivery, you will sign an electronic FedEx receipt acknowledging the number and type of bags that were delivered.

WasteZero has an agreement with the [Municipality] and will provide support to the program – you should call us with your questions. The terms in this letter supersede and replace any pre-printed or additional terms that might be included on your purchase order or correspondence. By participating in the program, you agree to these terms. Your acceptance of the shipment will also reaffirm your agreement to the terms in this letter.

HOW TO PLACE ORDERS

You may place bag orders with WasteZero in any one of the following ways:

1. Phone: 1-800-866-3954
2. Fax: 1-843-473-4991
3. E-mail: customerservice@wastezero.com

It is likely you will experience “surge” volumes at the outset of the program as customers purchase an initial supply. Over time, the volume will develop into a typical pattern. We urge you to monitor the product closely during the program’s initial weeks and communicate potential stock-out situations to us promptly. WasteZero will provide you reasonable assistance to avoid a stock-out. WasteZero reserves the right to bill you for excess freight charges caused by requests for rush delivery due to failure to place orders on a timely basis.

HOW TO ESTIMATE ORDERS

The [Municipality]’s official municipal trash bags are packaged in the following quantities at the following prices:

Bag Size	Bags per roll	Rolls per case	Price per roll	Price per case	Bar Code
Large (33” x 35”)	5	40	\$10.00	\$400.00	TBD
Small (24” x 28”)	8	40	\$10.00	\$400.00	TBD

HOW TO MAKE PAYMENTS

WasteZero will invoice you for each delivery based on the delivery receipt which indicates the number of bags and dollar amount by size sold on the date of delivery. All invoices billed to you are due and payable, net 30 days from date of invoice. An invoice becomes overdue on the 31st day. On the 45th day, WasteZero will apply a credit hold until overdue invoices are paid in full. During a credit hold, WasteZero will not accept new orders and will make no new deliveries.

Please **make payment** out to: [Municipality]
Please **mail payments** to: [Municipality] c/o WasteZero
5180 Horry Dr., Ste. B
Murrells Inlet, SC 29576

WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED HEREIN, ALL OFFICIAL MUNICIPAL TRASH BAGS AND SERVICES PROVIDED BY WASTEZERO UNDER THIS AGREEMENT ARE PROVIDED "AS-IS" WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

WASTEZERO WILL NOT BE LIABLE TO MUNICIPALITY, RETAILER, CUSTOMER OF RETAILER OR END USER FOR ANY SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, TREBLE OR PUNITIVE DAMAGES, OR ANY LOSS OF REVENUES, LOSS OF PROFITS OR LOSS OF REPUTATION ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE MANUFACTURE OR SALE OF PRODUCT OR PROVISION OF SERVICES. THESE LIMITATIONS APPLY EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF RECOVERING THESE DAMAGES OR LOSSES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, WASTEZERO'S AGGREGATE LIABILITY FOR ANY CLAIMS OR CAUSES OF ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE MANUFACTURE OR SALE OF PRODUCT OR PROVISION OF SERVICES WILL NOT EXCEED THE TOTAL AMOUNT PAID BY MUNICIPALITY TO WASTEZERO DURING THE SIX MONTH PERIOD PRECEDING THE ACT GIVING RISE TO THE CLAIM FOR DAMAGES.

RETURNS AND REPLACEMENTS

WasteZero wants you and your customers to be completely satisfied with the quality of official municipal bags. Should you or your customer experience any product defect with an official municipal bag, WasteZero will replace the defective product at no charge with a product of equivalent specification. Defective products must be returned for inspection. Replacements will be processed at the point of sale. Cash refunds or discounts are not authorized. To obtain appropriate credit, you must return the defective product to WasteZero.

If WasteZero ships a greater quantity of product or product of different specification than product ordered by you, at your election, WasteZero will honor a request for inventory return. Inventory returns must be coordinated with the WasteZero personnel with whom the original order was placed. WasteZero, however, will not bear the cost of correcting errors made by you in placing your order.

WasteZero looks forward to working with you to make the [Municipality]'s program a success. If you have any questions or concerns, please feel free to contact us at 800-866-3954.

Sincerely,

Customer Service
WasteZero, Inc.

EXHIBIT F

Credit Policy and Procedures

WasteZero will invoice the Retailer for each delivery based on the delivery receipt indicating the number of bags and dollar amount by size sold to the Retailer on the date of delivery.

All invoices billed to Retailers are due and payable, net thirty (30) days from date of invoice.

WasteZero will use reasonable and customary efforts to collect all outstanding balances owed by Retailers to Municipality. WasteZero does not assume responsibility for Retailer defaults or uncollected amounts.

- In the event that the Retailer does not pay within terms, when the Retailer calls in an additional order, WasteZero will verbally remind the Retailer of the past due balances and ask for prompt payment. The Retailer will also be reminded that their account will be placed on hold when it becomes forty-five (45) days past the date of invoice (or 15 days past due).
- If an invoice becomes forty-five (45) days past the date of invoice (or fifteen (15) days past due), WasteZero will place the Retailer's account on hold, will not accept new orders from that Retailer, and will make no new deliveries to that Retailer until all invoices forty-five (45) days past the date of invoice (or fifteen (15) days past due) are paid in full. WasteZero will then remove the hold on the account, resume accepting new orders and deliver bags to the Retailer.
- In the event invoices become sixty (60) days past the date of invoice (or thirty (30) days past due):
 - The delinquent Retailer account will be referred to Municipality for further guidance on how to proceed.
 - No new orders will be accepted or deliveries made to the delinquent Retailer account in the future unless Municipality provides WasteZero with written authorization.
 - WasteZero will require Municipality to indemnify WasteZero for any Program Revenue Share that is written off in the future if Municipality requests that WasteZero reinstate shipments to the previously delinquent Retailer account.
- In no event will WasteZero initiate or threaten legal action against any delinquent Retailer. Municipality reserves the right to make any collection efforts or take any actions in addition to or beyond those WasteZero sets forth herein.

WasteZero Return and Replacement Policy

WasteZero wants Retailers and customers to be completely satisfied with the quality of Official Municipal Trash Bags. Should any Retailer or customer experience a *bona fide* product defect with his or her Official Municipal Trash Bags, WasteZero will replace the defective product at no charge with a product of equivalent specification. Defective products must be returned for inspection. The product defect must be related to the design, manufacture, or supply of the product and not related to Retailer or customer overload, mishandling or misuse. Replacements will be processed at the point of sale. Cash refunds or discounts are not authorized. To obtain appropriate credit, Retailers must return the defective product to WasteZero.

If WasteZero ships a greater quantity of product or product of different specification than product ordered by Retailer, at Retailer's election, WasteZero will honor a request for inventory return. Inventory returns must be coordinated with the WasteZero personnel with whom the original order was placed. WasteZero, however, will not bear the cost of correcting errors made by Retailers in their order placements.

Please Note: WasteZero does not give exchanges for Official Municipal Trash Bags purchased through unauthorized Retailers or individuals.

EXHIBIT G

Municipal Wire Transfer Worksheet

Please complete and submit this form to receive monthly cash receipts wire transfers from your WasteZero Retail Store Distribution® (RSD) program.

Municipality:

Beneficiary Financial Institution

Enter the beneficiary financial institution information in the fields provided below:

Account Number	<input type="text"/>
Account Type	<input type="text"/>
ABA/Routing #	<input type="text"/>
Bank Name	<input type="text"/>
Street 1	<input type="text"/>
Street 2	<input type="text"/>
City	<input type="text"/>
State	<input type="text"/>
Postal Code	<input type="text"/>

EXHIBIT H

CUSTODIAL BANKING AGREEMENT

This Agreement is entered into on this ____ day of _____, 20__ between the City/Town of _____, _____ (Customer), with an address of _____ and WasteZero, Inc. (“WasteZero”), 8540 Colonnade Center Drive, Suite 210, Raleigh NC 27615, to grant permission from the Customer to WasteZero to open a custodial bank account with South State Bank, on behalf of the Customer. The Customer understands this account will be in the name of Customer, carry the tax identification number of Customer and authorized signers on the account will be properly authorized Waste Zero employees.

WasteZero will prepare the necessary documentation to establish a custodial bank account on behalf of the Customer with South State Bank. WasteZero will deposit all checks for payments from the retailers into this account. WasteZero will wire funds from this bank account to the Customer’s own bank account. WasteZero will provide a monthly report which includes the reconciled bank account statement, invoice register, cash receipts journal and accounts receivable aging report no later than thirty (30) days after the end of each month.

Municipality

WasteZero, Inc.

Authorized Signature of Customer

Authorized Signature of WasteZero, Inc.

Title

Title

Printed Name of Authorized Signature

Printed Name of Authorized Signature

Date

Date



EXECUTIVE DEPARTMENT

Edward A. Barrett, City Administrator
Phil Nadeau, Deputy City Administrator

February 4, 2016

To: Honorable Mayor and Members of the City Council
Fr: Edward A. Barrett
Su: City Solid Waste System

Recent discussions of the Pay as You Throw option for solid waste collection have raised questions and interest in the City's overall approach toward and policies covering solid waste collection, disposal, and recycling. What follows is an attempt to provide an overview of the City's current system and how it operates.

Solid Waste Collection

The City contracts with Pine Tree, a division of Casella, to collect residential solid waste from single family homes and certain multi-family units. The current year cost of this service is \$570,826, is included in the City's property tax rate, and collects at no charge from single family homes, duplexes, and three-unit buildings where one of the units in the building is owner occupied¹. Owners of multiple unit apartment buildings² (as defined*) that do not qualify for no fee collection have several options available. First, they may enroll in the City's collection service at an annual cost of \$170 per unit; they may contract with a private company for waste services; or they may individually collect waste and deliver it to the City's solid waste facility or to other waste facilities, such as the Mid Maine Waste Action Corporation (MMWAC) in Auburn, and pay the respective fees required by those facilities³.

No fee collection services are provided to about 9,915 residential units (single family homes, duplexes, and three unit buildings where one of the units is occupied by the building owner). There are approximately 6,859 rental units in buildings that do not qualify for no fee collection. Of these, about 1,952 units pay a fee to the City for waste collection. This produces total revenue of about \$320,000 annually and includes slightly over 28% of rental units potentially eligible for City fee based collection. The City has generally been ambivalent about offering this fee for service program to multi-unit buildings. When implemented, the initial proposal was to require all larger apartment buildings to provide for non-City collection services. Some landlords objected to this change, so the City implemented the fee collection system. Initially, however, once someone left the system, they could not return. More recently, this restriction has also been weakened to allow easier re-entry into the program. Given this, the current program can best be characterized as a compromise system.

¹ Note that if a unit in a building with 4 or more units is owner occupied and that building is enrolled in the City's fee for service collection program, no fee is charged for the owner occupied unit.

² Section 62-11, Definitions, states – *Multiple Unit Apartment Building: An apartment building or complex of buildings, which contain a total of four or more dwelling units per parcel of property or three or more dwelling units per parcel of property, which are not owner occupied.*

³ Please also see the discussion of the E-Pas program below re: passes provided to landlords.

Incineration in Maine

Municipal Solid Waste collected by Pine Tree is transported to the Mid-Maine Waste Action Corporation incinerator in Auburn where we are charged \$42.50 per ton. In FY 15, we delivered 10,515 tons to MMWAC at a cost of \$446,888.

Incinerators in Maine are generally experiencing fiscal stress. When initially established, these facilities benefited from requirements imposed by the Maine Public Utilities Commission. These requirements included that utilities would enter into long-term power purchase agreements from MMWAC and other incinerators at advantageous prices. These long-term contracts have now either expired or will shortly, significantly reducing facility revenues. As a result, some facilities have closed while others have struggled to increase tipping fees while remaining competitive with disposal costs offered at the state's two major landfills. In addition, the state's solid waste incinerators are all aging and will face the future need for on-going significant capital maintenance.

Should the continued operation of MMWAC ever become financially unfeasible, Lewiston's only options would be to truck our solid waste to a landfill at significantly higher transportation and disposal costs (and see a major loss of revenue from ash disposal in our landfill) or to amend our landfill license to allow it to accept our solid waste, significantly reducing the expected life of that facility and increasing its operating costs. Recent efforts to work with the state to find a mechanism to help support incinerators have not been successful, although these efforts are continuing.

Recycling

The City also provides free curbside recyclable collection to properties which place their recyclable waste materials, curbside, in suitable containers as defined. This is provided through a contract with Almighty Waste at a current year cost of \$197,000. During FY 15, the City collected 993 tons of recycled material which is delivered to the Casella Material Recovery Facility (MRF) at our solid waste facility at no charge.⁴

Landfill/Solid Waste Facility

The City offers a variety of services at the Landfill. These include drop off no charge recycling, accepting solid waste, disposing of certain hazardous or categorical wastes, and accepting ash from MMWAC.

The City's landfill basically only accepts ash from the incinerator in Auburn. MMWAC is charged \$40 per ton of ash, and the City accepts the ash generated from solid waste delivered to MMWAC by all of its customers. In FY 15, we received 17,990 tons of ash and billed MMWAC \$719,619. As a result, the Ash for Trash contract with MMWAC actually produces a net revenue stream of \$277,741 to the City after taking into consideration the tipping fees we pay there.

⁴ Casella is currently charging up to \$35 per ton to other customers. We are not charged as part of the overall agreement that established the MRF facility at our solid waste facility.

Note: The following information was updated from the original memo to reflect closure cost information received after the original memo was drafted.

One future issue relating to the landfill is closure and post closure costs. While we estimate the landfill's current life expectancy in the 30-35 year range, the final costs to close the landfill and the on-going costs to monitor and maintain it are significant. We recently received estimates for closure of the landfill and follow-on maintenance and monitoring. Bob Grillo of CMA Engineers estimates the closure cost of the landfill (once it reaches final capacity) would be ~\$5 million. He also estimates the cost of landfill inspections, maintenance and monitoring after closure would be ~\$2.3 million over the following 30 years. If our landfill was privately owned, the state would require a separate trust account be established and funded annually to ensure that funds will be available in the future to meet these costs. As a municipality, we do not face the requirement to pre-fund closure costs; however, we will be required to fund them at time of closure and annually thereafter. If we were running the landfill as a business, these costs would be included in the fees that we charge so that they would be available at time of closure. Therefore, it is fair to say that the annual budget for the landfill understates actual costs.

Residents and small quantity business generators can also deliver recyclables directly to the solid waste facility without charge. This extends the availability of the recycling service to those who are not on the tax supported collection system. Businesses that generate higher volumes of recyclables must deliver their materials directly to Casella's MRF at a current cost of \$35 per ton.

The Facility also accepts a variety of other materials, some at no cost but most with a charge for service. A copy of the fee schedule is attached.

Finally, a Household Hazardous Waste Depot is operated by the Androscoggin Valley Council of Governments and is located at our facility and operated on the first and third Saturdays of the months of May through November. Lewiston residents can dispose of up to 10 gallons of liquid and 40 lbs. of solid waste at no cost. A fee is charged beyond that amount. A summary of that program is also attached.

ePass Program

The City sells ePasses (formerly known as "Punch Passes") to Lewiston residents at the Treasurer's Office and at the Scale House at the Solid Waste Facility. These passes allow individuals to deliver certain wastes to our Facility at a significantly discounted rate. ePasses are good for one year from the date of purchase. The cost of the first pass is \$20. If necessary, a resident may purchase a second pass during the year for \$40.

The ePass allows the holder to dispose of the following:

- 2 - tires (off the rim)
- 1 - television or computer monitor
- 1 - refrigerated appliance
- 6 - Bulk Waste items (i.e. furniture, rolls of carpet, etc.)
- 6,000 lbs. of trash/construction and demolition debris/yard debris

The retail value of an ePass, assuming all materials are actually disposed of, is about \$350. A \$20 price represents over a 90% discount. In FY 15, the City sold 2,348 ePasses. Only 110 of these were the higher priced second passes. This produced \$47,740 in revenue.

The City also offers an abbreviated ePass program for renters. This pass costs \$10 and allows the resident to dispose of similar quantities of material except for a reduction in the weight of trash/construction/yard debris from 6,000 lbs. to 800 lbs. During FY 15, 71 of these passes were sold for \$710 in total revenue.

A final element of the ePass program relates to landlords with a large number of properties. They are eligible to receive, free of charge, one ePass for every 3 units enrolled in the City's fee collection system. Based simply on an analysis of individual multi-family properties in the City's collection system, the City provides a minimum of 678⁵ no charge ePasses, which would produce \$13,560 in revenue if sold for \$20 and which have a disposal value of \$237,300. Given the significant discount associated with this program, it is possible that large property owners can manage their properties in such a way as to minimize their overall costs by balancing the number of units for which they pay the city fee against the number that they service on their own using the ePass' allowance for solid waste (6,000 lbs). The average residence produces about 2,600 lbs. of solid waste per year. Given this, every no charge ePass provided to a property owner allows that owner to deliver waste generated from an estimated 2.3 units to the City's solid waste facility and incur no disposal costs.

Effectiveness of Current Recycling Program

The City's current recycling rate is less than 10%, far below the state goal of 50% and the rates achieved by many other Cities in Maine.⁶

The attached spreadsheet presents information on the City's recycling rate from 1999 through 2015. The rate is computed by dividing the amount recycled by the total tons of waste we handle (incinerated and recycled). Based on this formula, our recycling rate was 12.8% in 1999. It fell to a low of 7.1% in 2008 and grew to a high of 11.9% in 2013, slipping back to 8.6% in 2015. So, over this entire period, our recycling rate has been relatively low and is somewhat lower today than when the program began in 1999.

The last full year before single stream, our recycling rate was 8.0%. During the first full year of single stream, that percentage went up to 10.6%, so our rate increased by about 2.5%. While this may indicate

⁵ This is a minimum estimate based on the assumption that every multi-family building is individually owned. Since many landlords own more than one building, the actual number is larger. For example, if I own an 11 unit building, I would receive 3 no charge ePasses. If I own a 13 unit building, I would receive 4. If I own both, with a total of 24 units, I would receive 8 ePasses instead of 4.

⁶ While the state has collected data on recycling and calculated rates for municipalities for many years in an effort to track progress toward its 50% goal, the state formula takes into account a number of factors other than household solid waste. The state formula is: Composted waste + recycled waste + construction and demolition debris + recycled hazardous waste + bottle bill returns/Divided by Total Waste. The approach that we use to determine our recycling percentage simply looks at material we actually handle through direct city programs. This includes solid waste and recycled materials collected curbside and solid waste and recycled materials delivered to our solid waste facility. It does not include commercial waste that goes directly to MMWAC or a landfill, bulky waste, construction and demolition debris, etc.

that more people began recycling, it may be more likely that those who were already recycling increased the amount they put out at the curb because single stream takes more kinds of material.

Over the first three years of the zero sort program, the recycling rate increased from 9.5% (program in effect for six months) to 10.6% to 11.9%. Unfortunately, that trend did not continue in 2014, where the rate fell to 10% and 2015, where it continued to decline to 8.6%.

Overall, the following conclusions can be drawn from this data:

- While single sort initially improved our recycling rate, it has since fallen off and we continue to have a very low rate;
- While the rate initially increased under single sort, it has since declined to at or near the level before zero sort was implemented.
- Recycling likely has a very low penetration rate with a relatively small percentage of our residents participating.
- This reflects both our limited ability to publicize and educate about the program and a lack of incentives for residents to participate. It's simply easier to throw it all out in one container than separate it. Traditional behavior patterns are hard to change
- Due to the low tonnage of recycling that we are collecting, collection and disposal costs for recyclables are more expensive than are the costs associated with solid waste. These costs, respectively, are \$196.37 per ton of recyclables and \$96.71 per ton of waste delivered to MMWAC.

Thoughts and Comments on the Current System

- The City's landfill is a major positive for the community, allowing us to generate a significant revenue stream from accepting ash from MMWAC to offset overall solid waste costs;
- The future of the MMWAC incinerator, however, is not assured given the loss of long-term electric generation contracts, the age of the facility, and competition from other waste disposal alternatives.
- We are not pre-funding closure and post closure costs. Unless this changes, this significant cost will eventually be handled, most likely through borrowing the necessary funds, increasing total costs and burdening future residents.
- The decision to contract with private firms to collect our solid waste and recycling was a wise one, allowing the City to avoid the high capital costs associated with collection equipment and reduce exposure to workers compensation claims and expenses
- The City's recycling rate is currently inadequate to cost justify continuing the program in its current form.
- The City's ePass system distorts the market for waste disposal by offering a percentage discount that is so substantial that we have heard of cases where ePasses are traded for services and where large landlords use their no charge ePasses to avoid disposal costs.
- The current system, particularly the multi-family and ePass programs, are administratively burdensome. As examples, the City must bill landlords on the fee collection program, police the system to ensure that those that do not pay do not receive the service, track three unit properties with an owner occupant and owner occupied units in larger buildings, manage the ePass program, both in Treasury and at the Solid Waste Facility where our staff must identify and record the type of material being disposed, etc. Simply put, the system is a nightmare to administer and aspects of it are confusing to our residents.

Conclusion

Overall, the City's current solid waste system is relatively cost effective, largely due to the revenue generated by our landfill and recognizing that we are not currently saving toward the landfill's eventual closure cost. At the same time, it is clear that the current system developed over time in response to changes in the world and resident and property owner demands and concerns. As a result, the overall system lacks coherence, can be confusing, and is difficult to administer.

While the current system works, it should be reformed to recognize the total current and future cost of waste disposal, to simplify its administration, and to be clearly guided by those principles to which the City gives priority, be they financial or environmental.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 8

SUBJECT:

Request from the Lewiston Green-Independent Party to use Lewiston City Hall to hold their municipal caucus on March 13.

INFORMATION:

The Lewiston Green-Independent Party is seeking use of a conference room in City Hall on Sunday, March 13, 2016 from 2-4pm for the municipal party caucus.

Title 21-A, section 311 of the Maine State Statutes state: "At the request of that (political) committee, municipal officers shall provide available space in a public building for a caucus."

The Secretary of State's Office has informed us that their office and the Attorney General's Office have interpreted this clause to be free use of the building facility.

A city staff member will be present during the time the caucus is operating.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of this request.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To discuss this request and determine a course of action.

Recommended motion, should the Council wish to grant the request:

To grant the request of the Lewiston Green-Independent Party to permit use of City Hall for their municipal caucus to be held on Sunday, March 13, 2016 from 2pm-4pm.

From: Niomi Larrivee

165 Walnut St Lewiston ME 04240

207-891-2186

02/17/2016

To : City Administrator Ed Barrett

27 Pine Street Lewiston Me 04240

To whom it may concern,

Hi, I am writing you to request a conference room to hold the Green Independant Party Caucus on March 13th from 2-4pm.

I expect about 15 constituents and hope many more come to register to vote with the help of our wonderful city clerks. Please call me at 207-891-2186 for futher questions and to let me know the address and room # when available. I appreciate your time in the important matter. Have a wonderful day!

Niomi L

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 9

SUBJECT:

Adoption of City Council meeting schedule for the months of July and August.

INFORMATION:

Due to summer vacations and other commitments, it is recommended the City Council hold only one regular meeting during the month of July and one regular meeting during the month of August.

The Council has been following a summer meeting schedule of one meeting during the months of July and August for many years. It is recommended that the July meeting be held on Tuesday, July 12th at 7:00pm and the August meeting be held on Tuesday, August 9th at 7:00pm.

The above dates are subject to change should circumstances arise and the dates need to be adjusted.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To suspend Section 1,(a) of the Rules Governing the City Council, and to only hold one regular meeting during the month of July, said meeting to be held on Tuesday, July 12th at 7:00pm and to hold only one regular meeting during the month of August, said meeting to be held on Tuesday, August 9th at 7:00pm.

LEWISTON CITY COUNCIL

MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 13

SUBJECT:

Executive Session pursuant to MRSA Title 1, section 405 (6) (c) to discuss an Economic Development issue of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

State statutes define the purposes for entering into an executive session.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405 (6) (c) to discuss an Economic Development issue of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL
MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 13B

SUBJECT:

Executive Session to discuss Acquisition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/KMM

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6)(c), to discuss Acquisition of Property, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL
MEETING OF MARCH 1, 2016

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 14

SUBJECT:

Executive Session to discuss labor union negotiations regarding the city's six employee unions.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405 (6) (D) to discuss Labor Negotiations regarding the city's six employee unions - International Association of Firefighters, Local 785; Maine State Employees Association, Local 1989; Maine Association of Police; Lewiston Police Supervisory Command Unit; Lewiston Professional Technical Unit, Local 3855 and Lewiston Public Works Unit, Local 1458.