

ecomaine

Memorandum

DATE: May 10, 2012

TO: Chairman and Members of the Board

FROM: Kevin H. Roche, General Manager

SUBJECT: **Agenda for the May 17, 2012, Executive Committee Meeting**

There is an **ecomaine Executive Committee Meeting** scheduled for **Thursday, May 17, 2012 at 4:00PM**, first floor of the Waste-to-Energy Facility. The agenda for this meeting is as follows:

1. Approval of the February 16, 2012 Executive Committee Meeting minutes (*Attachment A*)
2. Audit Committee Report – Gary Foster, Chairman
3. Finance Committee Report – Jim Gailey, Chairman
4. Recycling Committee Report – Troy Moon, Chairman
5. Manager's Report
 - Statistical Reports (*Attachments B-1, B-2 & B-3*)
 - Statement of Revenue and Expenses (*Attachment C*)
 - Cash Flow Statement (*Attachment D*)
 - Electrical Revenues (*Attachment E*)
 - Operations: WTE, Landfill and Recycling
 - NAWTEC Update
6. Annual Meeting (*Attachment F*)
7. Other
8. Executive Session: Performance Evaluation of the General Manager (under Section 405 of Title 1 of the Maine Revised Statutes) – All Board members are encouraged to attend.
9. Future Meetings:
 - Recycling Committee Meeting: May 23rd (Wednesday) @ 4:00PM.
 - Annual Meeting: June 14th (Thursday) @ 11:30AM.
 - Finance Committee Meeting: September 18th (Tuesday) @ 4:00PM.
 - Audit Committee Meeting: September 20th (Thursday) @ 2:00PM.
 - Executive Committee Meeting: September 20th (Thursday) @ 4:00PM.

The Executive Committee may wish to go into Executive Session for any of the above items under Section 405 of Title 1 of the Maine Revised Statutes ([per the following legislative website: http://janus.state.me.us/legis/statutes/1/title1ch13sec0.html](http://janus.state.me.us/legis/statutes/1/title1ch13sec0.html).)



Owner Communities

Bridgton
Cape Elizabeth
Casco
Cumberland
Falmouth
Freeport
Gorham
Gray
Harrison
Hollis
Limington
Lyman
North Yarmouth
Ogunquit
Portland
Pownal
Scarborough
South Portland
Waterboro
Windham
Yarmouth

Associate Members

Baldwin
Hiram
Naples
Parsonsfield
Porter
Saco
Standish

Recycling Members

Andover
Cornish
Monmouth
Poland
Sanford

DATE: February 22, 2012
TO: Chair and Members of the Executive Committee
FROM: Kevin H. Roche, General Manager
SUBJECT: Minutes of the February 16, 2012 **ecomaine** Executive Committee Meeting

The Executive Committee of **ecomaine** met on Thursday, February 16, 2012, at the Waste-to-Energy facility. The meeting was called to order at 4:03PM.

There were six (6) items on the Agenda:

1. Approval of the December 15, 2011 Executive Committee Meeting minutes
2. Finance Committee Report – Jim Gailey, Chairman
3. Recycling Committee Report – Troy Moon, Chairman
4. Manager's Report
5. Other Items
6. Future Meetings

Mr. McGovern noted that he would fill in for Mr. Bobinsky as Chair of today's meeting.

Item #1 – Approval of the December 15, 2011 Executive Committee Meeting Minutes

Mr. Brobst moved that **"The Executive Committee hereby approves the minutes of the December 15, 2011 Executive Committee meeting as presented"**. The motion was seconded by Mr. Miller and passed unanimously.

Item #2 – Finance Committee Report – Jim Gailey, Chair

Mr. Gailey, Chair, gave the Finance Committee Report. The Committee last met on January 19, 2012 and reviewed **ecomaine** Check Register items as well as the financial statements. A discussion of Recycling Revenue Sharing followed.

The next Finance Committee Meeting will be Thursday, February 23, 2012 at 4:00PM, where the two main topics will be Recycling Revenue Sharing and Security/Privacy/Cyber Insurance coverage for **ecomaine**.

A Budget Workshop is scheduled for March 22, 2012 at 4:00PM here at the **ecomaine** Waste-to-Energy facility to review the proposed FY 13 budget. Mr. Gailey noted that this meeting is not for Finance Committee members only; all Board Members are invited to attend.

Item #3 – Recycling Report – Troy Moon, Chair

Mr. Moon, Chair, gave the Recycling Committee Report. The Committee last met on January 25, 2012.

After reviewing financial reports, there was a discussion of Recycling Revenue Sharing, which will be an agenda item, as previously mentioned, at the Finance Committee Meeting on February 23rd.

The Committee reviewed the: Catalog Choice program, WCSH outreach effort (Recycling Awareness Campaign) and the Silver Bullet Painting Contest. The Committee decided that next year's budget will again fund both the Catalog Choice and WCSH programs.

The Silver Bullet Painting Contest will be held again for 2012.

The eco-excellence Awards will be held here at **ecomaine** on Wednesday, March 7, 2012 at 10:00AM. The Committee requests that attendees RSVP to **ecomaine** as a lunch will be served.

Mr. Moon thanked Sarah Bernier, Susan McGinty and Travis Wagner for their time and expertise in selecting this year's award winners.

The next meeting of the Recycling Committee will be Wednesday, February 22, 2012.

Audit Committee Report – Gary Foster, Chair

Mr. Foster, Chair, gave the Audit Committee Report. The Committee last met on September 22, 2011. They reviewed **ecomaine** insurances and the FY '11 Runyon Kersteen Ouellette Audit Report.

The next Audit Committee Meeting is scheduled for March 22, 2012 at 2:00PM (immediately prior to the Budget Workshop that day). The Committee will review RFP responses and interviews of firms for the FY '12 Audit and select an Auditor.

All are invited to attend.

Item #4 – Manager's Report

Mr. Roche reviewed the Statistical Reports, Statement of Revenue and Expenses and Cash Flow Statement.

Electrical Revenues

The new contract with Constellation Energy began on February 1, 2012. This is an "on-off peak rate" contract as opposed to a fixed rate contract. For this past

contract year, **ecomaine** saved about \$55,000 with the fixed rate contract in lieu of a contract for spot market.

Operations

There was some boiler downtime in January and February.

The recycling market appears to have bottomed out and appears to be stable.

Finance Department

Mr. Roche and Mr. Birt relayed to the Committee details of the usage of the consultant firm Gilchrist Scott and the changes that were taking place in the Finance Department.

Landfill

Ten percent of the metal material has been recovered from the landfill; 250 tons of this recovered material is shipped out per week.

A brief discussion of the details of this project followed.

Phase II Expansion

At present, the Town of Scarborough and the City of South Portland are reviewing **ecomaine's** Phase II Expansion plans for the Landfill.

Environmental Update

ecomaine has collected more than 1500 thermostats to date; 1300 more are needed in the next 12 months in order to reach the program goal. This project is part of **ecomaine's** Supplemental Environmental Project with the Maine Department of Environmental Protection.

Legislative Update

Mr. Roche reviewed current legislative items and noted that on February 15, 2012, he traveled to Augusta to testify before the Joint Standing Committee on Environment & Natural Resources regarding LD 879 (*An Act to Ensure Adequate Landfill Capacity in the State for Solid Waste*).

At this point in the meeting, the Executive Committee was updated regarding:

- the dispute over a shoring bill with the contractor that renovated **ecomaine's** first floor community room (for which a lien has been placed on **ecomaine**). **ecomaine's** lawyers are presently reviewing the situation.
- the recent online security breach. **ecomaine** has been working closely with law enforcement, TD Bank and Systems Engineering regarding this situation to keep it from happening again.

Mr. Roche reported that he has a draft RFP ready to be released regarding food waste composting.

Item #5 – Other

SWANA issues white paper on the economic benefits of WTE

SWANA's white paper was released in January, 2012.

Mr. Shaw thanked Mr. Roche for recently presenting to the Scarborough Town Council on January 30, 2012.

There being no other items, Mr. Brobst made a motion to adjourn the meeting. The motion was seconded by Mr. Shaw and all were in favor. The meeting adjourned at 5:13PM.

Item #6 – Future Meetings

- Recycling Committee Meeting: May 23rd (Wednesday) @ 4:00PM.
- Annual Meeting: June 14th (Thursday) @ 11:30AM.
- Recycling Committee Meeting: June 27th (Wednesday) @ 4:00PM.

PRESENT:

D. Cole
G. Foster
J. Gailey
M. McGovern
J. Miller
T. Moon
R. Regier
B. Rodden
M. Shaw
L. Boudreau
R. Brobst
M. Frank
W. Shane
E. Suslovic
L. Van Gaasbeek

ABSENT:

M. Bobinsky

Staff: A. Birt, S. Dunn, T. Raymond, K. Roche and L. Trufant.

Statistical Data FY 2012 - April

	Month Actual Vs Budget			Year to Date Actual Vs Budget			Year to Date Vs Last Year			
	Actual	Budget	Var - Fav / (Unfav)	Actual	Budget	Var - Fav / (Unfav)	Prior Year Actual	Year Var - Fav / (Unfav)	Units	%
			Units			Units				
Inbound Tons										
Owner	3,707	4,016	(309)	40,433	40,164	269	40,608	(175)		-0.4%
Assoc & Contract	1,128	1,013	116	12,312	10,125	2187	11,213	1,099		9.8%
Commercial	5,405	5,430	(25)	55,992	54,303	1689	55,977	15		0.0%
Spot	2,854	3,291	(437)	32,646	32,908	(262)	32,528	118		0.4%
Total MSW	13,094	13,750	(656)	141,383	137,500	3,883	140,326	1,057		0.8%
Recycling - Inbound	2,621	3,118	(497)	28,798	31,178	(2380)	29,306	(508)		-1.7%
Total All	15,715	16,868	(1,809)	170,181	168,678	5,386	169,632	549		0.3%

Revenue \$ /Ton

Owner	\$ 86.19	\$ 88.00	\$ (1.81)	\$ 86.76	\$ 88.00	\$ (1.24)	\$ 87.32	\$ (0.56)		-0.6%
Assoc & Contract	71.89	75.94	(4.05)	71.66	75.94	(4.28)	72.46	(0.80)		-1.1%
Commercial	82.87	88.00	(5.13)	83.68	88.00	(4.32)	84.50	(0.82)		-1.0%
Spot	63.69	51.64	12.05	54.79	51.64	3.16	54.05	0.74		1.4%
Recycling	84.27	80.54	3.73	109.89	80.54	29.35	106.83	3.06		2.9%

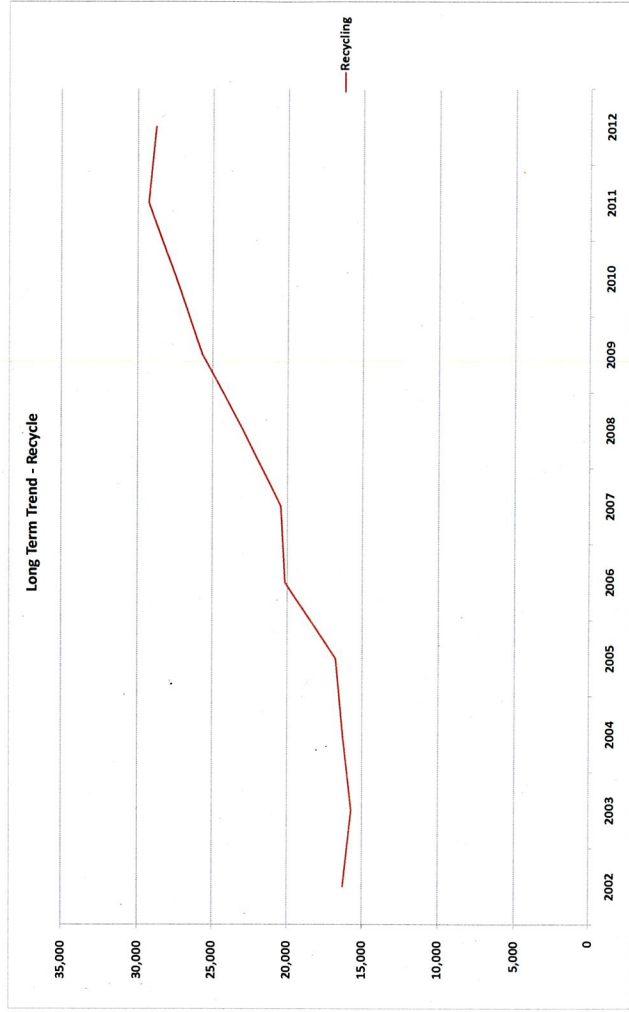
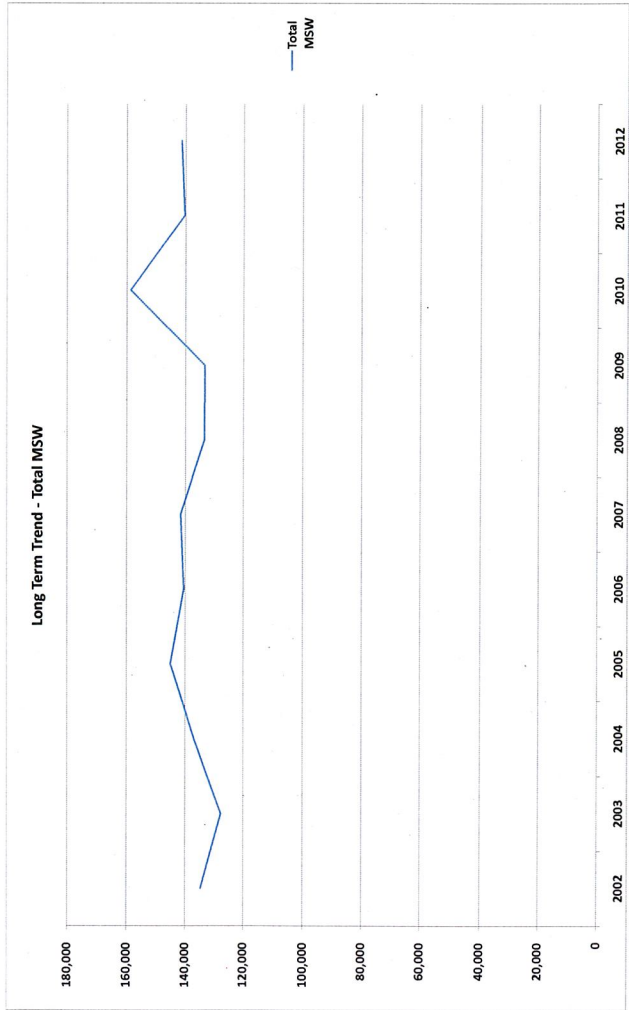
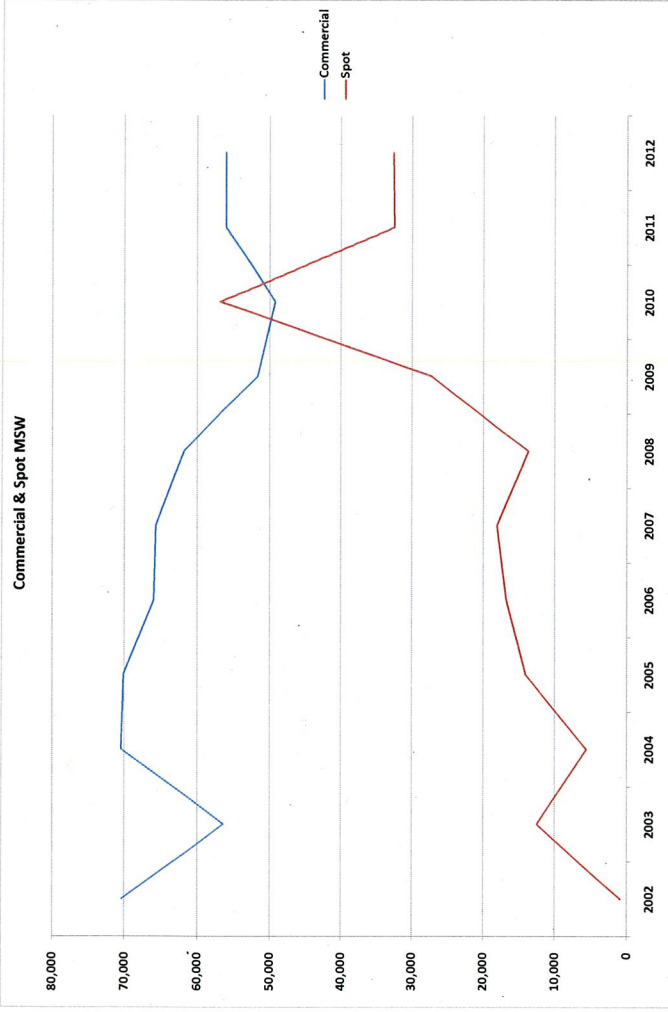
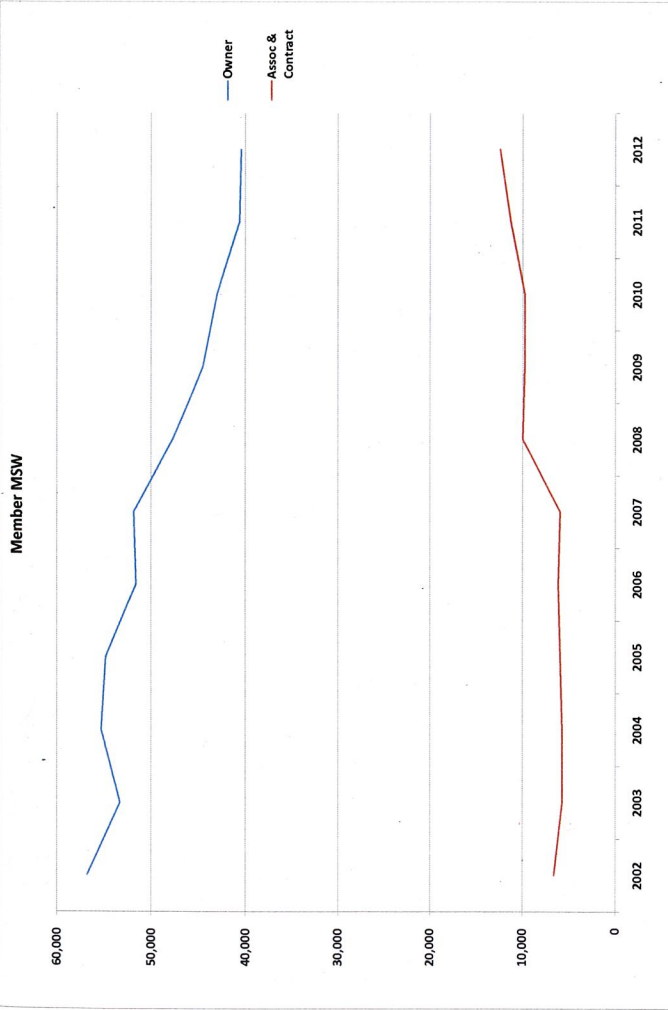
Energy

MWH's Sold	4,074	4,307	(233)	68,763	67,137	1,626	71,852	(3,089)		-4.3%
\$/MWH	\$ 37.25	\$ 51.50	\$ (14.25)	\$ 46.30	\$ 48.73	\$ (2.44)	\$ 70.70	\$ (24.41)		-34.5%

Year to Date Tons

	Fiscal Year To Date										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Owner	56,825	53,258	55,288	54,836	51,583	51,850	47,744	44,520	42,946	40,608	40,433
Assoc & Contract	6,606	5,696	5,715	5,888	6,106	5,908	9,995	9,797	9,793	11,213	12,312
Commercial	70,367	56,283	70,466	70,170	66,034	65,745	61,868	51,708	49,250	55,977	55,992
Spot	879	12,551	5,508	14,141	16,721	18,018	13,807	27,291	56,818	32,528	32,646
Total MSW	134,677	127,788	136,977	145,035	140,444	141,520	133,414	133,316	158,806	140,326	141,383
Recycling	16,329	15,742	16,336	16,835	20,177	20,464	22,955	25,698	27,441	29,306	28,798

ecomaine
March Year To Date Tonnage - FY 2012



**Summary Analysis of All Tons
July 1, 2011 to May 6, 2012**

Community	Waste			Recycle		
	FY11	FY12	over/(under)	FY11	FY12	over/(under)
BRIDGTON	1,925	1,902	(23)	522	497	(25)
CAPE ELIZABETH	2,217	2,185	(32)	1068	965	(103)
CASCO	760	766	5	399	368	(31)
CUMBERLAND	1,373	1,206	(167)	716	685	(31)
FALMOUTH	1,781	1,766	(15)	1465	1228	(238)
FREEPORT	1,395	1,346	(49)	464	488	24
GORHAM	1,813	1,806	(7)	1063	1106	43
GRAY	2,172	2,163	(9)	-	-	-
HARRISON	770	762	(7)	168	162	(6)
HOLLIS	801	808	7	254	259	5
LIMINGTON	1,297	1,297	-	94	90	(4)
LYMAN	920	937	18	195	212	17
NORTH YARMOUTH	482	489	8	382	337	(45)
OGUNQUIT	535	623	88	99	247	148
PORTLAND	8,238	7,893	(346)	4470	4794	324
POWNA	141	150	9	128	122	(6)
SCARBOROUGH	4,466	4,480	13	2314	2135	(180)
SOUTH PORTLAND	5,213	5,235	22	2094	1903	(190)
WATERBORO	1,574	1,601	26	433	373	(60)
WINDHAM	1,800	1,776	(24)	1312	1246	(66)
YARMOUTH	1,908	1,931	23	879	830	(49)
Owner Member Total	41,582	41,124	(458)	18,519	18,047	(472)
BALDWIN	439	436	(4)	-	-	-
HIRAM	439	436	(4)	-	-	-
NAPLES	928	929	2	-	-	-
PARSONFIELD	592	612	20	71	63	(8)
PORTER	439	436	(4)	-	-	-
SACO	4,218	4,110	(108)	1,503	1,433	(70)
STANDISH	2,490	2,576	86	531	472	(60)
TRI-TOWN	-	-	-	89	105	16
Associate Member Total	9,546	9,535	(11)	2,194	2,073	(122)
	-	4	4	-	-	-
ANDOVER	-	-	-	34	34	-
CORNISH	-	-	-	35	48	13
ELIOT	-	962	962	-	-	-
GREENLAND, NH	-	-	-	-	116	116
HARPSWELL	935	900	(35)	-	-	-
JAY	-	-	-	76	300	224
LIVERMORE FALLS	701	589	(112)	176	137	(39)
MANCHESTER	-	-	-	89	107	18
MONMOUTH	-	-	-	269	263	(6)
NEWINGTON	-	-	-	-	63	63
NORTH HAVEN	45	170	124	-	-	-
OLD ORCHARD	-	-	-	498	490	(8)
POLAND	-	-	-	343	317	(26)
READFIELD/WAYN	-	-	-	257	258	1
SANFORD	277	332	55	1,603	1,388	(215)
Contract Member Total	1,959	2,956	997	3,381	3,521	140
Commercial Total	57,014	56,989	(24)	5,787	5,699	(88)
Spot Market Total	32,865	33,185	320	-	-	-
Grand Totals	142,965	143,789	824	29,881	29,340	(541)

**ecomaine
Statement of Revenue and Expenses - April 2012
\$000's**

	Month			YTD			Last Year - YTD	
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Variance
Operating revenues								
Municipal assessments	\$ 370	\$ 370	\$ -	\$ 3,702	\$ 3,702	\$ -	\$ 3,899	\$ (197)
Owners tipping fees	320	353	(34)	3,508	3,534	(26)	3,546	(38)
Associate tipping fees	81	77	4	882	769	113	813	70
Commercial tipping fees	448	478	(30)	4,685	4,779	(93)	4,730	(45)
Spot market tipping fees	182	170	12	1,789	1,699	90	1,758	31
Electrical generating revenues	154	222	(68)	3,183	3,272	(89)	5,081	(1,898)
Sales of recycled goods	218	250	(32)	3,130	2,500	630	3,111	18
Recycling tipping fees	3	1	2	35	11	24	19	15
Gorham property assessments	20	8	11	118	83	34	116	2
Other operating income	7	8	(1)	76	80	(5)	166	(90)
Total operating revenues	1,802	1,938	(136)	21,107	20,429	678	23,239	(2,132)

Operating expenses								
Administrative expenses	217	204	(13)	2,024	2,061	37	2,000	(24)
Waste-to-energy operating expenses	1,718	968	(750)	7,555	7,608	53	6,961	(594)
Recycling operating expenses	139	147	8	1,313	1,468	155	1,291	(23)
Landfill/ashfill operating expenses	147	147	0	1,322	1,275	(47)	1,151	(171)
Contingency	-	16	16	-	163	163	1	1
Landfill closure and postclosure care costs	23	-	(23)	232	-	(232)	-	(232)
Post-retirement benefit- Health Care	3	-	(3)	60	-	(60)	-	(60)
Depreciation & amortization	342	342	(0)	3,417	3,417	(0)	3,250	(167)
Total operating expenses	2,589	1,824	(765)	15,923	15,992	69	14,654	(1,269)
Net operating income	(787)	113	(900)	5,184	4,437	747	8,586	(3,401)

Non-operating income (expense)								
Interest income	6	1	5	47	6	41	36	11
Interest expense	(10)	(11)	2	(94)	(113)	19	(359)	265
Other Expense	-	-	-	-	-	-	-	-
Net non-operating	(4)	(11)	7	(47)	(108)	61	(322)	275
Total revenue less expenses	(791)	103	(894)	5,138	4,330	808	8,263	(3,126)

ecomaine
Statement of Cash Balances -April 2012

\$000's

	Act FY 11 @ 6/30/11	Bud FY 2012 @ 6/30/12	Act FY 2012 @ 04/30/2012	Target
Cash flows from operating activities:				
Net operating income	\$ 9,092	\$ 5,413	\$ 5,184	
Add back: depreciation	3,918	4,100	3,417	
Add back: landfill closure costs	278	-	232	
Add back: Post Retirement Benefit	101	-	60	
Other working capital changes	56	-	1,653	
Net cash provided by operating activities	<u>13,445</u>	<u>9,513</u>	<u>10,546</u>	
Cash flows from capital and related financing activities:				
Bank loan	(750)	-	-	
Payment of interest	(429)	(136)	(94)	
Repayment of long-term debt	(10,450)	(6,630)	(6,630)	
Repayment of capital leases	(1,580)	(70)	-	
Net cash used in capital and related financing	<u>(13,209)</u>	<u>(6,836)</u>	<u>(6,724)</u>	
Cash flows from investing activities:				
Receipts of interest	42	19	47	
Capital expenditures	(1,286)	(3,276)	(2,234)	
Net cash used in investing activities	<u>(1,244)</u>	<u>(3,257)</u>	<u>(2,187)</u>	
Net increase (decrease) in cash	(1,008)	(580)	1,635	
Cash, beginning of period	22,976	19,385	21,968	
Cash, end of period	<u>21,968</u>	<u>18,805</u>	<u>23,604</u>	
Detail				
Operating Cash Reserve	-	-	7,500	7,500
Short Term Capital Reserve	1,673	115	3,250	3,250
Long Term Capital Reserve	-	-	4,000	4,000
Landfill Closure reserve	-	-	850	850
Bond Payment Reserves	6,875	4,099	2,346	2,346
Debt Service Reserves	3,292	3,292	2,000	2,000
Other Cash	10,129	11,299	3,658	-
Total	<u>\$ 21,969</u>	<u>\$ 18,805</u>	<u>\$ 23,603</u>	<u>\$ 19,946</u>

Month / Year	Facility Availability	On Peak KWHs	Off Peak KWHs	Total KWHs	On Peak Rate	Off Peak Rate	Electricity Revenues	ISONNE Market Value
Apr-10	61%	1,897,314	2,169,219	4,066,533	\$0.07234	\$0.05444	\$312,336	
May-10	93%	3,407,537	4,431,390	7,838,927	\$0.07021	\$0.05338	\$533,701	
Jun-10	93%	3,787,872	3,946,891	7,734,763	\$0.07615	\$0.05517	\$552,430	
Jul-10	96%	3,451,635	4,510,803	7,962,438	\$0.08503	\$0.06136	\$616,555	
Aug-10	99%	3,880,733	4,478,367	8,359,100	\$0.08431	\$0.06184	\$650,513	
Sep-10	95%	3,536,806	4,092,807	7,629,613	\$0.07301	\$0.05560	\$531,986	
Oct-10	99%	3,684,282	4,715,036	8,399,318	\$0.07397	\$0.05617	\$583,762	
Nov-10	94%	3,482,344	3,838,460	7,320,804	\$0.07704	\$0.05923	\$541,771	
Dec-10	97%	3,502,186	3,887,300	7,389,486	\$0.08357	\$0.06555	\$593,229	
Jan-11	96%	3,333,950	4,024,645	7,358,595	\$0.09707	\$0.07727	\$680,335	
Feb-11	99%	3,043,296	3,512,245	6,555,541	\$0.04334	\$0.04334	\$326,532	\$412,082
Mar-11	98%	3,444,203	3,492,190	6,936,393	\$0.04334	\$0.04334	\$343,359	\$362,553
Apr-11	66%	1,762,990	2,177,127	3,940,170	\$0.04334	\$0.04334	\$212,191	\$206,087
May-11	87%	3,096,218	3,803,942	6,900,160	\$0.04334	\$0.04334	\$341,900	\$322,749
Jun-11	98%	3,649,570	3,994,354	7,643,924	\$0.04334	\$0.04334	\$363,139	\$352,301
Jul-11	99%	3,553,158	4,635,406	8,188,564	\$0.04334	\$0.04334	\$387,688	\$464,659
Aug-11	96%	3,793,874	3,860,020	7,653,894	\$0.04334	\$0.04334	\$365,783	\$359,176
Sep-11	100%	3,716,566	4,016,809	7,733,375	\$0.04334	\$0.04334	\$371,100	\$338,995
Oct-11	91%	3,150,283	4,079,819	7,230,102	\$0.04334	\$0.04334	\$350,098	\$326,227
Nov-11	98%	3,741,801	4,074,766	7,816,567	\$0.04334	\$0.04334	\$375,565	\$315,501
Dec-11	99%	3,257,803	3,616,743	6,874,546	\$0.04334	\$0.04334	\$334,360	\$276,125
Jan-12	93%	2,959,673	3,329,413	6,289,086	\$0.04334	\$0.04334	\$308,705	\$288,959
Feb-12	94%	3,413,300	3,228,454	6,641,754	\$0.04495	\$0.03630	\$306,063	\$238,095
Mar-12	85%	3,092,263	3,168,997	6,261,260	\$0.03511	\$0.02790	\$232,293	\$210,526
Apr-12	58%	2,101,538	1,972,052	4,073,590	\$0.03134	\$0.02603	\$151,738	\$139,129
May-12					\$0.03149	\$0.02541		
Totals for Contract period							\$690,094	\$587,750

ecomaine Board of Directors

Robert Fitzcharles, Bridgton	Michael Bobinsky, Portland
Michael McGovern, Cape Elizabeth	Mark Rees, Portland
David Sherman, Cape Elizabeth	Ed Suslovic, Portland
David Morton, Casco	John Anton, Portland
Susan McGinty, Cumberland	Troy Moon, Portland
Bonny Rodden, Falmouth	Vacant, Pownal
Rod Regier, Freeport	Michael Shaw, Scarborough
David Cole, Gorham	Ron Ahlquist, Scarborough
Gary Foster, Gray	Jim Gailey, South Portland
Mathew Frank, Harrison	Linda Boudreau, South Portland
Len Van Gaasbeek, Hollis	Maxine Beecher, South Portland
Dennis Doughty, Limington	Dennis Abbott, Waterboro
Maurice St. Clair, Lyman	Anthony Plante, Windham
Richard Brobst, North Yarmouth	Erving Bickford, Yarmouth
John Miller, Ogunquit	



Special Guest Speaker
Dr. George K. Criner, Professor and Director
School of Economics
University of Maine

Dr. Criner is an economist who has researched, lectured and taught on the economics of waste management for the past 20 years. Included among his numerous studies in Maine were bottle deposit legislation, pay-by-the-bag, waste composition, economics of size in processing recyclables, and the economics of composting.

Most recently, Dr. Criner and student Travis Blackmer completed a Maine residential waste characterization study, which included **ecomaine**.

Thursday, June 14, 2012

64 Blueberry Road, Portland, Maine

11:30 - 1:30

Annual Meeting & Luncheon
with Special Guest Speaker Dr. George K. Criner

1:30

Optional Tours of ecomaine

Please confirm your attendance by June 7th to
dunn@ecomaine.org / 773-1738

ecomaine

2012

Annual Meeting