

ecomaine



Jeremy Freeman, Recycling Operator

our communities count on us

ECOMAINE IS ESSENTIAL

An in-depth look at how we provide critical, sustainable waste management solutions during lockdowns, downturns, and uncertain times

2020 ANNUAL REPORT

WELCOME



Environmental Leadership is Essential

KEVIN ROCHE, CEO

ABOVE ecomaine CEO Kevin Roche leads by example and masks up (Peter Scarpaci, Black Cow Photography)

PAGE 3
TOP Recycling Supervisor Steve Henderson and Communications Manager Matt Grondin discuss ecomaine's recycling program – while properly masked.

BOTTOM Alam Jahanger sorts recyclables, outfitted in protective equipment (Derek Davis, Portland Press Herald Staff Photographer).

What a year. I think we can all safely say that the last six months have been unlike anything any of us have ever seen. But in light of the challenges of this last year, the essential nature of our work—sustainable solid waste management and a commitment to increasing public awareness—has never been clearer.

Indeed, even as we confronted a new normal, ecomaine has achieved its goals.

- ✓ Electric waste hauling trucks? Ordered.
- ✓ A solar array on our landfill? Contract signed.
- ✓ Fire suppression system with remote response? Installed.
- ✓ 150 earned media stories? Check.
- ✓ Outreach to more than 55,000 residents with education? Check.
- ✓ Recycling markets' recovery? Half-check...there are signs of life.

We are on the right track. The one thing that wasn't in our vision last year was a pandemic, but I am proud of our response that allowed us to continue essential operations. Our employees, Board of Directors, and hauling community came through for us and together, we found our way without allowing another public health crisis.

Through uncertainty ahead, our 2021 vision remains clear.

- Bring ecomaine's e-trucks to reality.
- Install solar panels at our landfill.
- Recover and recycle more tons with more communities to meet global manufacturing demand while diverting material from landfills.
- Invest in our operations, and in advocacy for good solid waste policy.
- Welcome Westbrook and other new communities to our regional approach.
- Continue our commitment to outreach and education.
- Maintain our commitment to safety and to combatting COVID-19.
- Do more to uphold equality in every decision we make.

This work is essential. Our workers are essential. And it will continue to be so, no matter the challenges we face. Thank you for your support for ecomaine, and for sustainable solid waste management in Maine.

“Kudos to you for taking these proactive steps. This is quite exemplary. What outbreaks like this really reveal is what we mean by ‘essential’ in our workforce. **You and your colleagues are essential.** If your workforce is depleted or out, the implications could ripple across Maine society. So, thank you.”

—DR. NIRAV D. SHAH, DIRECTOR, MAINE CENTER FOR DISEASE CONTROL, TO KEVIN ROCHE, ECOMAINE CEO, ON MAINE PUBLIC RADIO'S *MAINE CALLING*





Board of Directors

ecomaine's Board is made up of leaders from our owner municipalities. ecomaine is our community!

FY20 BOARD OF DIRECTORS

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Cape Elizabeth

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Windham

Erik Street
Yarmouth
*(*Treasurer; Chair of Finance & Audit Committee)*



OUR MISSION

ecomaine provides comprehensive long-term solid waste solutions in a safe, environmentally responsible, economically sound manner, and is a leader in raising public awareness of sustainable waste management strategies.

Community engagement is essential to ecomaine.

Our mission exists at the intersection of environmentally sustainable and economically sound waste management. We're glad to sign on with municipal partners that see the benefit of these goals and of our investment in educational outreach.

The City of Westbrook is just the latest example. In the years ahead, ecomaine will benefit from our municipalities working together in a unified front.

Welcome, Westbrook!



COVID Prevention at ecomaine



Wearing proper protective equipment (PPE)



Keeping six feet of distance from others



Disinfecting workspaces and surfaces



Washing hands with soap frequently



Feeling sick? Stay at home until cleared

Health and Safety are Essential

The past year demonstrated just how essential sustainable recycling and waste management solutions are. If our industry stops, there are critical public health implications that complicate the best of situations—let alone a pandemic.

If we aren't healthy, safe, and able to work, the system breaks down. ecomaine's steps to remain operational, from masking up to regular communications, to providing on-site lunches (so staff didn't have to frequent stores or restaurants), and particularly a rigorous physical distancing and tracking program, helped keep our workforce safe and healthy during one of the most difficult times in recent history.

ecomaine's Health, Safety, & Wellness Work Group draws on the experience and expertise from every part of the organization to promote the best and safest working environment possible.

From implementing ecomaine's wellness points program to overseeing best practices for COVID-19-related safety during outages with dozens of contractors, this group keeps our essential workers...working! Thank you!

Visit ecomaine.org to learn more about recycling during a pandemic

TOP RIGHT Conrad Woodman, Tony Dickson (I & C Technicians) and Jonny Miller (Electrician) give ecomaine's lunch-in-place program three thumbs up.

“Thanks for the lunches, and your extra-special attention to our **health and wellbeing.**”

—CONRAD, TONY, AND JONNY FROM THE IC&E SHOP



ECOMAINE HEALTH, SAFETY, AND WELLNESS GROUP



This Into That

At ecomaine, we often talk about everyday recyclables as a resource. The COVID-19 pandemic has driven this point home. With shortages of paper goods, cardboard, and packaging, the role of municipal recycling as a source for these critical items has been magnified.

As much as 40% of the global supply chain's need for material is met by recycling — ecomaine and our communities remain committed to recycling programs, in order to maintain our role in this system. That way, the manufacturers who increased their capacity have the materials to meet the need of our residents.



STEEL & TIN CANS
\$97/TON

This bale, worth about \$107, will be made into bicycle parts.

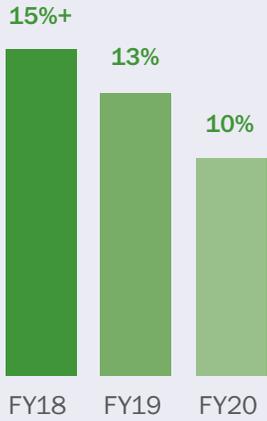
MIXED PAPER
-\$36/TON

We paid about \$50 to have this recycled into new rolls of toilet paper.

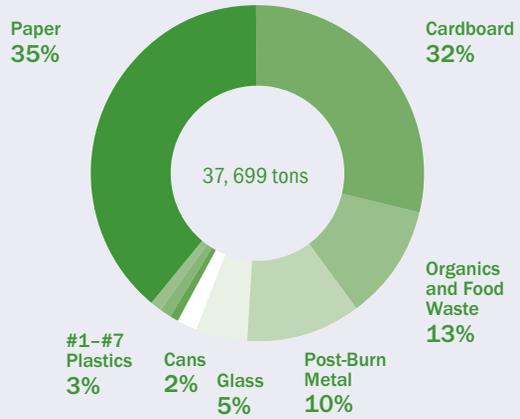
CARDBOARD
\$61/TON

This bale, worth about \$55, will become home delivery box packaging.

Contamination Reduction FY18 - FY20



The Recycling Ton 2020



#2 COLORED HDPE PLASTIC \$ 236/TON

This colorful bale is worth about \$155, and will turn into new jugs and playground equipment.

#2 NATURAL HDPE PLASTIC \$881/TON

This bale, worth about \$575, will make new new bottles and plastic lumber.

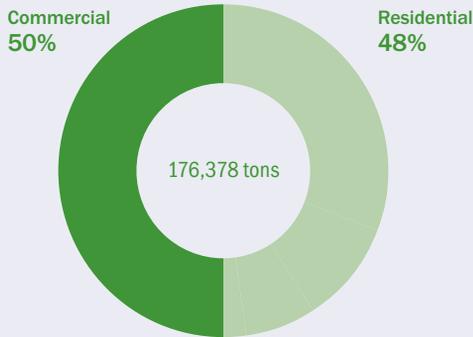
#1 PET PLASTIC \$153/TON

This bale, worth about \$100, will be made into new fleece vests.

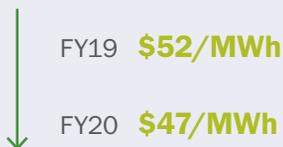
Essentially Renewable

ecomaine worked with the Maine State Legislature to increase the amount of renewable energy credits for waste-to-energy in the state, a big step in incentivizing energy creation from our trash instead of putting into a landfill! Renewable credits for the electricity produced at ecomaine will now be worth three times the amount they would have been without this legislation.

MSW Tonnage 2020



Energy Price per MWh 2019-2020



As usual, investments in keeping ecomaine’s waste-to-energy (WTE) plant running efficiently proved to be indispensable.



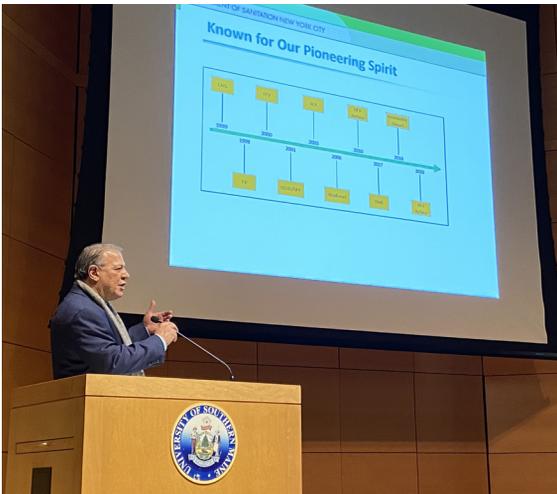
The yearly maintenance in this technology keeps the plant running better than new, and new developments keep 175,000 tons of Maine’s trash moving smoothly and producing electricity from waste. That included a major maintenance period to work on the turbine that powers ecomaine’s 14 MW generator, replacement of the “superheater” that helps combust trash most efficiently—this generates more electricity and less pollution—and upgrading existing pollution control systems.



FY20 also saw more efficiency at the beginning of our trash’s WTE journey. The tipping floor, where hundreds of tons of trash are deposited each day, received a renovation to three bays, allowing for quicker processing of more truckloads of waste.



Essential Sustainability Measures



ecomaine hosted the Solid Waste Association of North America's Northern New England Chapter for a session on electric trucks in the waste and hauling industry.

With two of its own e-trucks coming in 2021, ecomaine is a leader in advancing this technology in our field. CEO Kevin Roche was joined by e-truck manufacturers and representatives from the Environmental Protection Agency and New York City's Deputy Commissioner for the Department of Sanitation, Rocco DiRico.

The electrification of truck fleets is in sight, and we are proud to pilot these trucks, which will join our Nissan Leaf and Chevy Bolt in ecomaine's fleet of electric vehicles.



Our latest landfill delivery? Solar power.

ecomaine signed on to place a solar array on the old, closed portion of the landfill, giving new and renewable life to an otherwise unusable plot of land. Solar power will complement ecomaine's recycling, food waste programming, waste-to-energy plant, and electric vehicles, in our commitment to sustainability.



The ecomaine mercury thermostat take-back program protects Maine's environment.

Keeping mercury out of landfills and heavy metals out of our waste-to-energy plant, this program requires less pollution controls and fewer environmental challenges overall. Since 2013, ecomaine has taken back nearly 2,600 mercury thermostats, including almost 300 last year. That's about 25 pounds of mercury disposed of safely, instead of in Maine's environment!

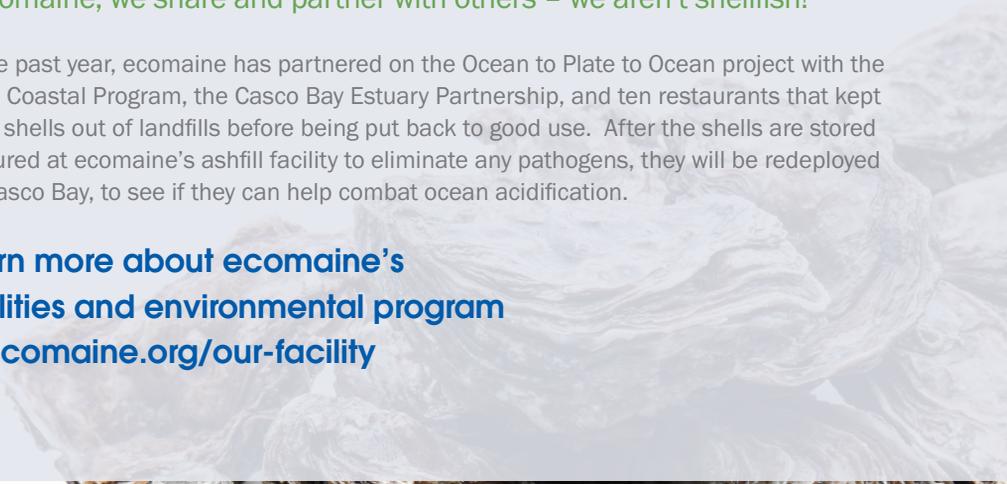


Reusing a Shellfish

At ecomaine, we share and partner with others – we aren't shellfish!

For the past year, ecomaine has partnered on the Ocean to Plate to Ocean project with the Maine Coastal Program, the Casco Bay Estuary Partnership, and ten restaurants that kept oyster shells out of landfills before being put back to good use. After the shells are stored and cured at ecomaine's ashfill facility to eliminate any pathogens, they will be redeployed into Casco Bay, to see if they can help combat ocean acidification.

Learn more about ecomaine's facilities and environmental program at ecomaine.org/our-facility



Essential education: 55,000 + reached!



Recycling contamination reduced by **5%** in eight weeks thanks to ecomaine's educational partnership with our communities.

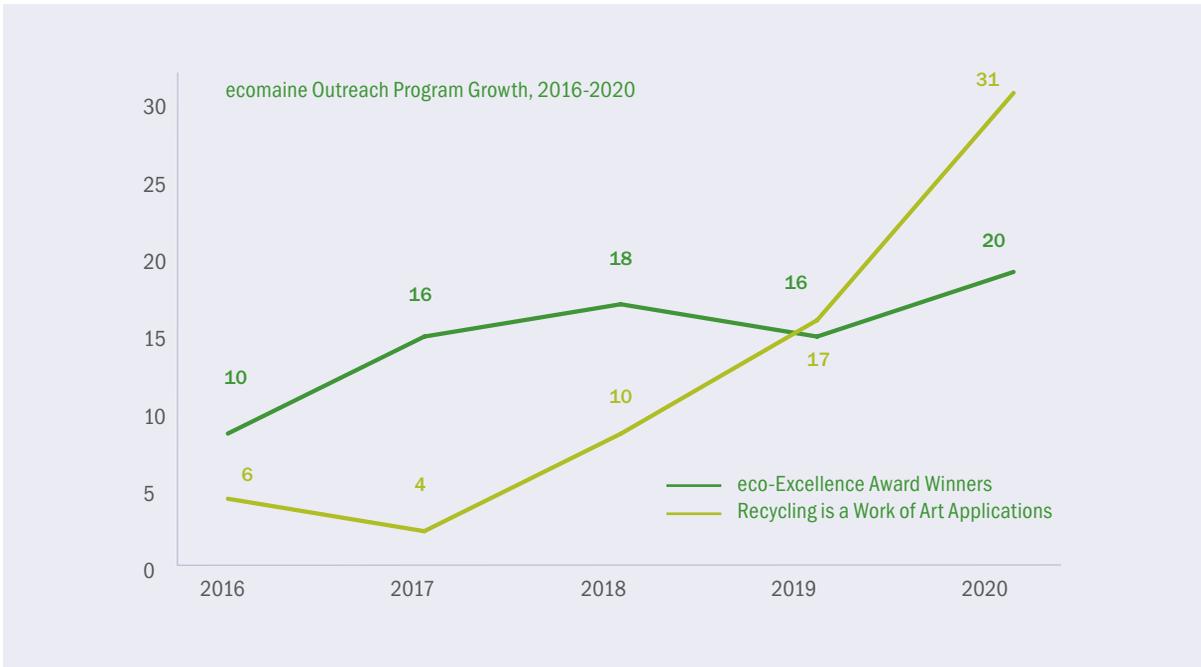
Looking long term, our commitment to education is vital to our success.

By partnering with the Maine Red Claws, Maine Mariners, local schools, and our communities, ecomaine is increasing public awareness like never before.

The summer of 2019 sent interns to the streets of Falmouth, Scarborough, South Portland, and Windham to successfully pilot a new project—inspecting bins. By providing oversight and feedback, our interns lowered recycling contamination by 5% and saved towns an average of \$4,000 in just eight weeks.

This was so successful, the program was repeated again in 2020!

ecomaine.org/tagging



In FY20, ecomaine distributed \$25,000 in landfill diversion grants to schools from pre-K to universities, funding projects promoting better recycling, increased composting, and reduction of single-use items.

And by pivoting to digital outreach during the pandemic, we have proved our commitment to education continues, no matter what. From Saco to Vinalhaven, students practiced sustainability in their classrooms and over video conferences!



Upcycle2020 Challenge

To celebrate Maine's bicentennial in 2020, ecomaine also provided \$2,020 in incentive for students to upcycle materials that would normally end up in the trash into something new and useful.

The Upcycle2020 Challenge asked Maine's kids to rethink and reuse ordinary waste and give it a whole new life. Katherine Bender's design for hair ties made from old clothing won Falmouth High School's Robotics Team the grand prize.

REVENUE AND EXPENSES

	ACTUAL – PRIOR YEARS			FY 20 BUDGET VARIANCE			FY 20 vs. FY 19
	2017	2018	2019	Actual	Budget	Variance	Actual Variance
Operating Revenues							
Owners tipping fees	\$3,554,488	\$3,610,889	\$3,729,770	\$3,973,720	\$3,938,562	\$35,158	\$243,950
Assoc. tipping fees	982,194	1,024,419	1,055,444	1,098,515	1,052,107	46,408	43,071
Contract tipping fees	357,524	574,321	1,092,414	1,129,658	1,266,999	(137,341)	37,244
Commercial tipping fees	5,649,092	5,636,624	6,131,770	6,566,074	6,023,497	542,577	434,304
Spot market tipping fees	1,687,510	1,170,268	293,645	245,185	375,430	(130,245)	(48,460)
Electrical generating revenues	3,715,051	4,257,098	4,270,887	3,829,131	4,109,746	(280,615)	(441,756)
Sales of recycled goods	3,806,555	2,165,413	1,376,697	876,778	1,390,422	(513,644)	(499,919)
Recycling tipping fees	29,296	269,741	522,668	1,261,071	1,123,930	137,141	738,403
Other operating income	101,695	103,401	106,665	116,663	106,750	9,913	9,998
TOTAL OPERATING REVENUES	\$19,883,404	\$18,812,174	\$18,579,960	\$19,096,795	\$19,387,444	(\$290,649)	\$516,835
Operating Expenses							
Administrative expenses	\$2,518,887	\$2,740,466	\$2,791,697	\$2,964,048	\$3,032,457	\$68,409	(\$172,351)
Waste-to-energy operating expenses	9,371,777	9,717,360	9,389,047	10,209,361	9,924,260	(285,101)	(820,314)
Recycling operating expenses	2,203,746	2,490,994	2,032,494	2,146,115	2,700,623	554,508	(113,621)
Landfill/ashfill operating expenses	1,931,544	1,794,473	1,950,085	1,824,822	1,851,892	27,070	125,263
Contingency	-	-	-	448,920	250,000	(198,920)	(448,920)
TOTAL OPERATING EXPENSES	\$16,025,954	\$16,743,293	\$16,163,323	\$17,593,266	\$17,759,231	\$165,965	(\$1,429,943)
Net Operating Income	\$3,857,450	\$2,068,881	\$2,416,637	\$1,503,529	\$1,628,213	(\$124,684)	(\$913,108)
Non-Operating Income							
Non Investment Interest	\$36,584	\$49,340	\$68,278	\$73,622	\$50,447	\$23,175	\$5,344
Investment Income (Net of Expenses)	1,164,205	1,205,691	1,485,070	1,266,510	500,000	766,510	(218,560)
Misc. Income / (Expenses)	65,532	51,649	23,151	8,440	25,000	(16,560)	(14,711)
TOTAL NON-OPERATING	\$1,266,321	\$1,306,680	\$1,576,499	\$1,348,572	\$575,447	\$773,125	(\$227,927)
Net Income (EBITDA)	\$5,123,771	\$3,375,561	\$3,993,137	\$2,852,101	\$2,203,660	\$648,441	(\$1,141,036)
Non-Cash Expenses							
Landfill closure & post-closure care costs	(\$2,182,480)	\$254,884	\$263,379	\$263,773	\$275,000	\$11,227	(\$394)
Post-retirement benefit - health Care	60,244	55,575	47,094	41,646	85,000	43,354	5,448
Depreciation & amortization	4,177,307	4,316,892	3,859,420	3,512,299	4,361,892	849,593	347,121
TOTAL NON-CASH EXPENSES	\$2,055,070	\$4,627,351	\$4,169,893	\$3,817,718	\$4,721,892	\$904,174	\$352,175
Total Revenue Less Expenses	\$3,068,700	(\$1,251,790)	(\$176,756)	(\$965,617)	(\$2,518,232)	\$1,552,615	(\$788,861)

CASH BALANCES

	2017	2018	2019	ACTUAL FY 20	BUDGET FY 20
Cash, Beginning Of Period	\$28,538,043	\$30,861,320	\$30,335,576	\$27,351,217	\$26,423,615
Cash Flows From Operating Activities					
Net operating income	3,857,450	2,068,881	2,416,637	1,503,529	1,628,212
Other working capital changes	388,720	114,371	40,643	(234,746)	
NET CASH PROVIDED	\$4,246,170	\$2,183,252	\$2,457,280	\$1,268,783	\$1,628,212
Cash Flows From Investing Activities					
Non Investment Interest	\$36,584	\$49,340	\$68,278	\$73,622	\$50,447
Investment income	1,164,205	1,205,691	1,485,070	1,266,510	500,000
Capital expenditures	(3,123,683)	(3,964,027)	(6,994,987)	(4,240,982)	(7,192,000)
NET CASH USED IN INVESTING	(\$1,922,894)	(\$2,708,996)	(\$5,441,639)	(\$2,900,850)	(\$6,641,553)
NET INCREASE (DECREASE)	2,323,277	(525,744)	(2,984,359)	(1,632,067)	(5,013,340)
Cash, End Of Period	\$30,861,320	\$30,335,576	\$27,351,217	\$25,719,150	\$21,410,275



This year, Brian Roland made the move from Laborer at ecomaine's Waste-to-Energy Plant to become our new Warehouse Specialist (which opened when Bob Wheaton retired after more than 40 years at ecomaine!)

With mechanical and warehouse experience, and after showing great development in his role as a Laborer, Brian's skills, along with expert training from Bob and Senior Warehouse & Procurement Specialist, Peter Goucher, will make for a seamless transition. Congratulations, Bob and Brian!

LEFT Brian Roland, Warehouse Specialist

ASSETS AND LIABILITIES

Assets	2017	2018	2019	2020
Current Assets				
Balance Operating Cash	\$6,223,377	\$3,641,942	\$4,172,513	\$3,292,237
Accounts Receivable	2,135,332	1,702,101	1,798,159	1,770,526
Inventory	2,808,335	2,801,314	2,858,725	2,789,869
Prepaid Expenses	197,485	241,659	264,870	353,292
Total Current Assets	\$11,364,529	\$8,387,016	\$9,094,267	\$8,205,924
Property, Plant & Equipment	\$141,863,509	\$145,827,536	\$65,958,247	\$70,199,229
Less: Accumulated Depreciation	113,825,748	118,008,753	35,003,897	38,430,779
Net Property, Plant and Equipment	\$28,037,761	\$27,818,784	\$30,954,350	\$31,768,450
Investments – reserves	24,637,943	26,693,634	23,178,704	22,445,214
TOTAL ASSETS	\$64,040,233	\$62,899,434	\$63,227,321	\$62,419,588
Deferred Outflows Of Resources – OPEB	\$0	\$0	\$0	\$54,407
Liabilities				
Current Liabilities				
Accounts Payable	\$1,161,369	\$836,621	\$467,354	\$798,489
Accrued Expenses	165,317	266,971	987,357	412,503
Accrued Compensated Absences	993,122	1,016,748	859,801	955,985
TOTAL CURRENT LIABILITIES	\$2,319,808	\$2,120,340	\$2,314,512	\$2,166,977
Accrued Landfill Close and Post Close costs	\$14,564,514	\$14,819,398	\$15,082,777	\$15,346,550
Accrued Post Retirement Benefit – Health Care	570,596	780,235	769,600	918,265
TOTAL LIABILITIES	\$17,454,918	\$17,719,973	\$18,166,889	\$18,431,792
Deferred Inflows Of Resources – OPEB	\$0	\$6,487	\$64,216	\$11,604
Net Position				
Fund Balance (Retained Earnings)	\$43,516,613	\$46,424,764	\$45,172,972	\$44,996,140
Revenues Less Expenses (Current Year)	3,068,702	(1,251,790)	(176,756)	(965,541)
TOTAL NET POSITION (EQUITY)	\$46,585,314	\$45,172,974	\$44,996,216	\$44,030,599

INCOMING BOARD CHAIR

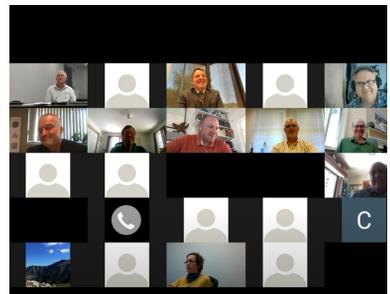
Mike Shaw

As I step into a new role as Chair of the ecomaine Board, it's clear to me that strong leadership is essential to the success of sustainable waste management in Maine in the years ahead. Matthew Frank, Troy Moon, and many others have played this role well; I'm looking forward to working with my fellow Board members and the ecomaine staff to create these successes.

As you've seen in this report, FY20 has been an incredibly eventful year, with many great success stories, but challenges, as well.

The reality of the waste management industry is that we do still have challenges ahead – we always will, that's just life. But I'm proud to be in a leadership role of an organization that takes these challenges seriously, addresses them with long-term strategies, and always looks for the right opportunities to move ahead with good results for our member communities.

We'll all hope that the next year will provide for relief from the pandemic, but in the meantime, ecomaine will continue to serve in the essential role for Maine that we have for decades.



TOP Mike Shaw, incoming Board Chair with Kevin Roche, ecomaine CEO.

BELOW ecomaine's Board gathers remotely to hear from The Recycling Partnership's CEO Keefe Harrison at the 2020 Annual Meeting.





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