

**ADVISORY AND FINANCE COMMITTEE  
MEETING MINUTES  
of  
May 21, 2014**

A meeting of the Advisory & Finance Committee was held on Wednesday, May 21, 2014. The meeting was called to order by Chairman John Moody at 7:00PM and was conducted in the Mayflower II Meeting Room at the Plymouth Town Hall, 11 Lincoln Street, Plymouth, Massachusetts.

- PRESENT**      **Ten members of the committee were present:**  
Cornelius Bakker, Kevin Canty, Richard Gladdys, Michael Hanlon, Ethan Kusmin, John Moody, Harry Salerno, Charles Stevens, Linda Benezra, and Christopher Merrill
- ABSENT**        **Two members of the committee were absent**  
Shelagh Joyce, and Marc Sirrico

New Committee member Kevin Canty was asked to introduce himself.

**AGENDA ITEMS**

**FY2014 Solid Waste Reserve Request – Anaerobic Digestion RFP**

Jonathan Beder, DPW Director, stated that the DPW is seeking \$30K in funding to hire a consultant to draft a technical RFP to Design, Build and Operate an Anaerobic Digester at the town's wastewater treatment plant. The project has a lot of merit and he then turned the microphone over to Greg Smith, Solid Waste Manager. Greg Smith said that this is the next phase of the solid waste management plan and gave a PowerPoint presentation outlining the following:

**Objective:**

To utilize the results of the RFP to retain a well-regarded company that will:  
Design, Build and Operate (DBO) a state of the art anaerobic digestion facility

Interest from the following companies (and possibly others):

- Veolia-UK firm has been designing and building anaerobic treatment plants for over 25 years.
- Covanta Energy- partnering with Turning Earth, Inc. to build an anaerobic facility in Bristol, CT
- Harvest Power- founded in 2008 and operates 40 anaerobic facilities in North America

**Why Anaerobic?**

DEP Commercial Food Waste Disposal Ban takes effect on October 1, 2014.

- Ban applies to commercial generators that dispose of 1 ton or more of food waste per week (there are 49 current commercial generators in Plymouth).
- Intend to divert food wastes from the waste stream
- Disposal ban affects approximately 1,700 MA businesses and institutions, including supermarkets, colleges and universities, hotels, convention centers, hospitals, nursing homes, restaurants and food service and processing companies

Impact of Food Waste Ban on Plymouth:

- Plymouth alone generates 4,000 tons of to-be banned food waste per year.
- Residential food materials and food waste from small businesses are not included in the ban.

#### Potential Solutions:

- Residential food wastes could be gathered at both the curbside and transfer station and delivered to the AD.
- The RFP will establish a baseline for the town to determine future organics streams on a local or regional basis.

#### Organics to Energy - Anaerobic Digestion Feasibility Study:

- Dec 2103-Awarded \$40,000 grant from MA Clean Energy Center (CEC)
- Beam Engineering was retained- final draft completed in April 2014
- Study result indicates anaerobic digestion is feasible at WWT facility

#### Technology benefits include:

- Reduce septic sludge trucked off-site from WWT plant- SAVINGS
- Bio-gas generation for combined heat and power (CHP) system substantially meet electric load for both WWT plant and anaerobic digester- SAVINGS
- Potential fueling station for possible CNG fleet- SAVINGS
- Processed digestate can be used in place of chemical fertilizers on municipal properties- SAVINGS
- Processed digestate can be dried and sold as a soil amendment- REVENUE
- Organic wastes used (feedstock) removed from waste stream will significantly reduce tip fees at Covanta/SEMASS (\$65/ton)- SAVINGS
- If Plymouth builds a regional facility and accepts organics from surrounding towns, Plymouth may charge a tip fee for that privilege- REVENUE

#### Request for Proposal - RFP needs to address the following issues:

- Permitting (local, state and federal)
- Design
- Costs
- Construction
- Operation
- Ownership

\$30k will allow technical consultant to develop RFP necessary to validate project efficiencies and community benefits in order to go to Town Meeting for a long term lease at the 131 Camelot Drive property.

Bourne, Barnstable, and Plymouth County are already engaged in some form of this process.

#### Proposed Digester Site:

- Zoned Municipal Wastewater
- Entire site encompasses approximately 100 acres
- Anaerobic digester site encompasses 32,000 sq ft

#### Conclusion:

\$30K will be used to hire a technical consultant to draft an RFP for anaerobic digester in Plymouth

## Draft Schedule:

Hire Technical Consultant:	June
Finalize draft RFP:	June
Send out RFP:	July
Review responses:	July
Make recommendation to BOS:	August
Fall Town Meeting for long-term lease:	October 2014

A question and answer session followed:

Mr. Gladdys asked why \$30,000 was needed to pay for someone to write an RFP when we already know what we are looking for.

Mr. Beder replied that we need to hire a consultant to validate the process and that the consultant knows more than we do about things like traffic, permitting, financial implications, possible revenue streams. We want to do it properly so we do not miss anything.

Mr. Gladdys asked if the writer of the RFP would stay on as a consultant.

Mr. Beder responded that yes they would stay on not only through developing the RFP but help establish a ranking criteria for proposals and help with the dynamics of the site and the permitting process, traffic details and technical details.

Mr. Gladdys asked what type of firm would be helping.

Mr. Beder responded that it would be an engineering firm.

Ms. Benezra asked why this step is coming as a special transfer and not included in the budget.

Mr. Beder said that the budget was prepared in September and that we did not get results of the feasibility study until April. Two years ago in April a \$135,000 Reserve Fund was put together for planning and creative solutions that would come up and this project fits that description. The Advisory & Finance Committee has the authority to transfer funds from this Reserve Fund for this project.

Mr. Merrill asked if any other municipalities in MA are doing this?

Mr. Beder said that Fairhaven has one and that Bourne and Barnstable and Plymouth County were looking into it.

Mr. Merrill asked if he had any idea on the cost to build?

Mr. Beder said around \$7 million for a local facility and \$30-\$40 million for a regional facility.

Mr. Salerno asked if those that we hire to do the RFP will also do an economic analysis.

Mr. Beder said yes that would be part of the process.

Mr. Salerno asked about the timeline.

Mr. Beder said that the timeline given in the presentation is aggressive but they are trying to get it voted on at Fall Town Meeting but that potentially it may be Spring Town Meeting before it is ready.

Mr. Salerno asked if it possible that the consultant we hire may say the project is not economically feasible.

Mr. Beder said that yes that was a possibility but Beam Engineering did find there is feasibility.

Mr. Salerno asked how the waste produced was measured.

Mr. Beder said that was determined by DEP.

Mr. Stevens asked since Plymouth County was looking into doing this, are they looking at the same sources that we are?

Mr. Beder said yes but we have a better location, directly next to the treatment plant.

Ms. Benezra asked what guarantee we have that the commercial businesses would be interested in using us.

Mr. Beder said that there will be a benefit to these companies for using us. There would also be a residential benefit, not just commercial.

Mr. Kusmin asked if consumers will have to pay to dispose of food waste and how that might affect the curbside program.

Mr. Beder said that would be on the proposal to investigate further, that he does not want to see an increase in cost to residents, that we may renegotiate some contracts to see if we can save residents money.

Mr. Kusmin asked why the current solid waste program utilizes the orange bags.

Mr. Beder said that the fee for the orange bags pays for the disposal, encourages recycling and makes it more equitable for all residents.

Ms. Benezra asked if the company will take on all capital costs so that there is no capital costs to the Town.

Mr. Beder said that yes the company would take on all capital costs.

Mr. Hanlon said that the ban does not include residential and small business so why include it in the RFP at all?

Mr. Beder said that we would include it because of sustainability. The ban engages the process for us and that Plymouth alone would generate enough waste on its own.

Mr. Hanlon said that diverting the 4,000 tons would not save Plymouth money.

Mr. Beder said that is correct that it is going elsewhere now.

Mr. Hanlon asked if the ownership piece is open that DBO – Design Build Operate could possibly be DBOO – Design Build Operate Own.

Mr. Beder said that all options are on the table now.

Mr. Hanlon asked if this would require a special legislation.

Mr. Beder said he believed it was covered under waste water but that he would look into it further.

Mr. Hanlon asked about the timeline of the RFP and response and review before Fall Town Meeting.

Mr. Beder was aware of the timeline and said it was an aggressive approach to get it all completed before the Fall Town Meeting.

Mr. Salerno stated that when they do the pro-forma on another municipal/governmental entity and if they build a facility nearby on the feasibility study.

Mr. Gladdys questioned the RFP procurement and asked if this money is available to fund this RFP. Mr. Beder stressed that it is in the Solid Waste Reserve Fund.

Mr. Stevens questioned the timeline or oversight issues and if the Finance Committee will be able to make an informal decision for Town Meeting vote.

Mr. Beder said he will try to bring this process along to the Finance Committee.

Ms. Benezra asked Lynne Barrett, the Finance Director, on clarification of the reserve. Ms. Barrett said it is part of regular operating budget for this year. A reserve fund within the operating budget for this type of project (RFP). Ms. Barrett recommended the reserve fund be utilized for this RFP.

Ms. Benezra said if we didn't use reserve it would go back to Solid Waste Enterprise Budget July 1<sup>st</sup> if not utilized.

Mr. Moody inquired whether competitors in the environment (Bourne, Barnstable, and Plymouth County Government) are part of schedule and a headstart on other competitors to look into building this facility.

Mr. Moody inquired whether Plymouth has an advantage over other surrounding municipalities looking into this facility of food waste.

Mr. Beder stressed the waste water treatment plant advantage and source of funding for this process. Mr. Beder does not consider these municipal agencies as competitors.

Mr. Moody questioned the economic benefit part and the financial potential. Mr. Moody wants to understand the revenue stream before it goes out to bid for a facility.

Mr. Moody asked if we spend \$30,000 will we have the major components answered. Producing the RFP and economic benefit analysis before it goes out to bid. Mr. Moody continued to stress his concern what the consultants/bidders will be saying what the revenue/costs will be for this facility.

Mr. Beder said there will be an analysis on the economics along with the consultant's study.

Mr. Gladdys asked if a representative from Tighe & Bond was at the meeting.

Ms. Barrett said her husband is part of the Bourne Solid Waste Management. Ms. Barrett said there is a large expertise needed for this facility and stressed the importance of a consultant in the process. She continued to say it is a very technical process.

Mr. Hanlon states the word “bid” is an interesting assessment. Each firm will give different scopes of tonnage, revenues, costs etc. The bidders could be all over the place in the RFP.

Mr. Gladdys questioned the presenter if this is a bid?

Mr. Beder stated that this is a traditional RFP (Technical and price proposal)

**Mr. Stevens made a motion to move funding of \$30,000 for the RFP on Anaerobic facility services at Camelot Park. Mr. Gladdys, second.**

Mr. Hourahan agrees to approve this process but is concerned with the timeline. Will these questions be fully answered.

Ms. Benezra stated that she was struggling with this RFP. What is the study of the size of this facility especially with the over build of the waste water plant built a few years back in Town.

Mr. Salerno states that management is excited for this project and the \$30,000 RFP is a good start with this process. Mr. Salerno is concerned with the analytics of feasibility. Mr. Salerno further stated he will support this RFP process and wants to ensure it is vetted appropriately.

Mr. Gladdys is in favor but is concerned about the timeline of bringing this to Fall Town Meeting. Supports management process of the RFP.

Mr. Hanlon stated members asked some really good questions. This is exactly what we want our Town staff to do. Saving money and enhancing new technologies along with enhancing revenues.

Mr. Stevens point of discussion asked Ms. Benezra if this has come up in capital outlay meetings. Ms. Benezra responded and said it was not discussed.

**Returning to the motion, the vote was unanimous.**

### **Finance Committee Mentoring**

Mr. Moody advised the new Finance Committee member Mr. Canty that there are three mentors and that other Finance Committee members are also open to mentoring new members.

Mr. Moody stressed that familiarizing oneself with procedures and primary role takes a year to understand the Finance Committee’s function within Town government.

### **Revenue Task Force**

Ms. Benezra talked about the Revenue Task Force which is an eleven member committee. Ms. Benezra stated that they prioritize projects and assign to subcommittees to meet on their own and come back to the full committee with revenue recommendations for the town. (Betterments, Meals Tax, Nuclear Storage, Participant fees, formation of cultural district, establishment of street lights, and unfunded mandates).

### **Committee of Precinct Chairs**

Mr. Moody shared his discussion with the Committee of Precinct Chairs (COPC) at its most recent meeting to review how Town Meeting, caucus meetings, and presentation forums went. Some stressed the representation of presentation forums but most are favorable of the presentation forum.

Other items of business included discussion about conflict of interest with respect to Article 1 & 1A. Some members of the COPC believe the conflict of interest exemption may not be being interpreted properly. COPC will be taking steps to clarify and, if necessary, revise the conflict of interest by-law. The concern raised is that the question is more of an ethical matter than a legal one.

### **OLD BUSINESS:**

Mr. Hanlon stated that he contacted three different committees whether they needed a liaison from the Finance Committee.

Ms. Benezra asked the Chair when a new support staff person would be available to take meeting minutes and to send out the agenda to the Finance Committee members.

Ms. Barrett hopes to fill the position for the budget analyst by the end of June and to have a secretary for the Finance Committee.

Mr. Moody moved to the next Old/New Business by indicating members with expiring terms should reach out to the Moderator about their interest in re-appointment.

Appointment of capital improvements and revenue task force members at large.

Ms. Benezra described the roles of the Capital Improvement Committee and indicated that since she will not be seeking re-appointment that the Committee needed a new representative. She stressed that one business day is needed to meet with Department Heads on capital requests in January or February.

Mr. Hanlon asked who chairs the capital outlay committee.

Ms. Benezra stated that Nicole Rivers is the chair of the committee.

Mr. Kusmin volunteered to sit on the Capital Outlay Committee.

Mr. Moody requested an additional volunteer for the Revenue Task Force Committee. Mr. Hanlon asked if an absent member Mr. Duffley would want to sit on the committee. Mr. Moody said he would send out an email looking for volunteers before May 31<sup>st</sup> to sit on the committee.

Ms. Benezra stated that meeting in late June would be prudent to vote on year end transfers.

**Mr. Hanlon made a motion to adjourn. Ms. Benezra, second. Approved unanimously.**

Meeting adjourned at 8:56 p.m.

Respectfully submitted,

Christopher Merrill