

Solid Waste Disposal District Committee Meeting
January 15, 2010

Attendance: Chairman Gene Chandler, Douglas Garland, Jon Tanguay, Bea Davis, David Mason, Gino Funicella, Jon Edgerly, Sarah Clemons

Meeting opened at 08:35 AM.

Chairman Chandler inquired if they were going to talk about the backhoe. Mason had prepared an operating cost spreadsheet for 2009 and he had taken the joint account and added line items which totaled \$414,997.61. To do equalized value the cost split would be \$111,567.78 for Jackson and \$260,324.83 for Bartlett. A 65/35 split would be \$130,162.41 Jackson, \$241,730.20 Bartlett, a 60/40 split would be \$148,757.04 Jackson, \$223,135.57 Bartlett, and a 50/50 split would be \$185,946.30 Jackson, \$184,946.30 Bartlett. He didn't do the capital costs as we need to talk about this as the use of the equipment determines how long it will last and there are problems with the Bartlett compactor. Garland inquired if the compactor problem was because we had purchased a lemon because it has the wrong size pistons so the comparison wouldn't be correct. Chairman Chandler threw out the thought that the backhoe use may make a difference as it may shorten the life of it but it doesn't apply to the well built buildings. Mason stated that with site improvements at a 50/50 split that there are issues such as the maintenance of the road as it gets more use by Bartlett and as far as the building is concerned the wear and tear is different. Jackson could build a 12'x15' building to store recyclables but Bartlett would need a 40'x60' facility. Chairman Chandler replied that the larger building would allow more storage so that if the price for paper dropped we could have the space to hold it until the price is better. Chairman Chandler stated that we have not seen the information that Mason has and with all due respect we do need time to review it. Mason replied that whatever the split might be that Jackson's people get retirement and they weren't not going to give that to them which is a problem as you can't offer it to some and not the others. Mason suggested that we provide a 401K plan and the towns would agree to match up to 5%. Chairman Chandler replied then Jackson would stop paying retirement and go to the 401K plan. Mason stated yes that was one way to do it. Chairman Chandler questioned if the scenario was that all trash goes into one container. Mason stated for efficiency that he thinks one large compactor where the towns are combined would be the best way to be efficient. Chairman Chandler questioned that in the grand total did Mason deduct the income. Mason stated that he didn't have Bartlett's demolition

figures there as that would make for better information but right now Jackson's demolition they are paying out more than they were getting in. Edgerly stated that construction debris for Jackson was 183 ton, Bartlett was 382 ton. The municipal waste was 408.93 ton for Jackson and 1571.59 ton for Bartlett which is down from 2008, however, recycling is up. Mason questioned how we were doing income wise as it is reported on gross basis and there is a liability against that and what we are not considering is what has been paid for may not have been disposed of and we still have to pay out for that. Overall things look good but we are probably losing money except on aluminum and we are definitely losing on demolition. Chairman Chandler inquired if whatever we took in was subtracted from the figures. Mason replied "yes". Chairman Chandler replied that that doesn't factor in that we produce more income. Mason replied that we don't keep track of that. Edgerly replied that it is probably around 60% Bartlett and 40% Jackson. Chairman Chandler stated that if we produce, for argument sake, 70/30 and we contribute higher income we should get a discount. Mason stated that income is directly related to expense and if they generate 80% more income then they have more expenses. Chairman Chandler doesn't agree. Funicella stated that we need to work on the contract and since we don't have scales no one knows the real costs. He also remarked that we should go by the wisdom of the people years ago and go with equalization value and make it as one unit. Chairman Chandler replied that from his perspective that any decision to change what they are doing would be based on what is best for Bartlett. Mason replied that they feel that Jackson could run its own transfer station for less money than what they are paying now. Funicella stated that arbitrarily the contract was changed and ignored for years. We need to recommend to people to vote on what we are in agreement with. Garland remarked that it was no secret that it was changed to 50/50 and everyone at the meeting agreed on it. Mason replied that that was then and now is now. Garland replied that the more current decision is more relevant. Mason stated that it shouldn't have been done and we can't complain now. Garland stated that everyone knew at the time it was discussed that it was a different format. Chairman Chandler remarked that the only thing they didn't do was to go to the voters. Garland thinks that we should go to the voters for the 50/50 for the capital expenses but doesn't think it should apply to the operating expenses. Funicella stated that the clock is ticking and Jackson is still paying more. Chairman Chandler replied that hopefully we can work things out. Chairman Chandler stated that he

would like to institute terms of agreement and sell it to the voters. Chairman Chandler also stated that we don't have a problem with paying now for the backhoe and if and when we reach a decision we would prorate the expenses retroactive to January 1. Mason replied that it should be equalized to operating expenses equitable. Chairman Chandler stated that we have to look at the bottom line and if operating by ourselves is cheaper we need to do it. Mason remarked that was interesting that he was taking that approach and they know they can operate for less money. Chairman Chandler inquired if right now we could agree to sign the backhoe agreement retro to Jan. 1st if need be. Mason stated that we need to change the agreement at town meeting. Chairman Chandler stated that we need to get the budget approved and the backhoe is a capital expense. Funicella stated that if we operate the transfer station on their own they don't want to sell the backhoe. Chairman Chandler remarked that we could pay for it now and if things don't work out they could pay it back. Funicella inquired if Bartlett has a problem with who should operate the backhoe. Chairman Chandler stated no that they would stand behind Edgerly's decision as to who operates the equipment. Tanguay stated that Mason had put a lot of work into the operating cost spreadsheet and we appreciate all his work. Tanguay also stated that the start up costs for two transfer stations would mean more equipment, more employees, etc. and he thinks the voters would be getting shafted and it is a complete waste of time to do this. Funicella stated that equalization was the fairest. Tanguay mentioned that right now the transfer station isn't efficient and both Bartlett and Jackson are losing money and if we made it more efficient all money paid out could be dropped lower. Funicella replied that is why we need scales and if we combined into one unit we could do our own hauling. Tanguay replied that the people who work at the transfer station would have to have a CDL license. Chairman Chandler stated that if we could save \$5000.00 then he thinks it would make sense to work together and he doesn't believe we could haul for what we are charged from North Conway Incinerator. Garland remarked that as far as the operating costs go neither town has contributed to that and that the labor is the biggest difference. Tanguay stated that we generate income but not all is being shipped out. Garland replied that he believes we are heading in the right direction as we have less now. Funicella remarked that Edgerly's wages should have been what we split. Garland stated that living up to the contract doesn't change the labor. Mason requested that everyone think about the savings by using one compactor. Garland replied that he would like to get Edgerly's opinion

if he feels one compactor would work. Edgerly replied not at the current setup one won't work as there are fights now. You would need one that is totally different at ground level so that people could back up to both sides and should have one for residential and one for commercial. Chairman Chandler inquired if they could settle on numbers could the compactors stay the way they are now. Mason stated that it is potential efficiency. Funicella stated that we shouldn't compact that we should haul off as is. Chairman Chandler remarked that if we throw it in loose that we would have to make a lot of trips. Funicella replied that you put it in loose, tamp it down and haul off. Chairman Chandler stated that to move ahead we need to look at and agree on the numbers and when we agree make it retro to January 1st. Mason replied ok but we need an agreement decision date. Chairman Chandler suggested that the cut off be April 1st. Mason stated that as the committee we should go forward and a February 5th date was picked to make a decision and move forward. Mason would like to see a 70/30 operating budget and compromise on the site improvements. Garland stated that as far as the equipment is concerned he isn't sure he agrees with it as if it just sits it rots quicker than the wear and tear will. Mason replied that if you use the equipment ten hours a day versus three hours that the equipment won't last as long. Garland remarked that when we went to the 50/50 split that we moved ahead as it seemed to work and both towns got rid of a lot of stuff. It was agreed by all that the numbers would be reviewed and that they would continue until February 5, 2010.

The meeting was adjourned at 10:00 AM.

Respectfully submitted,

Brenda Medeiros