

CommonWealth

Resource Management Corporation

The ISWM Business Plan: Future Opportunities for Bourne's Integrated Solid Waste Management Facility

**Presented to the Town of Bourne
Board of Selectmen
Board of Health
Finance Committee**

3 June 2010

The ISWM Business Plan: Future Opportunities for Bourne's Integrated Solid Waste Management Facility

MEETING AGENDA

Introduction

- **Introduce attendees and roles**
- **Review ISWM situation briefly (11 May presentation)**
- **Define meeting objectives, process and ground rules**

Moderated discussion

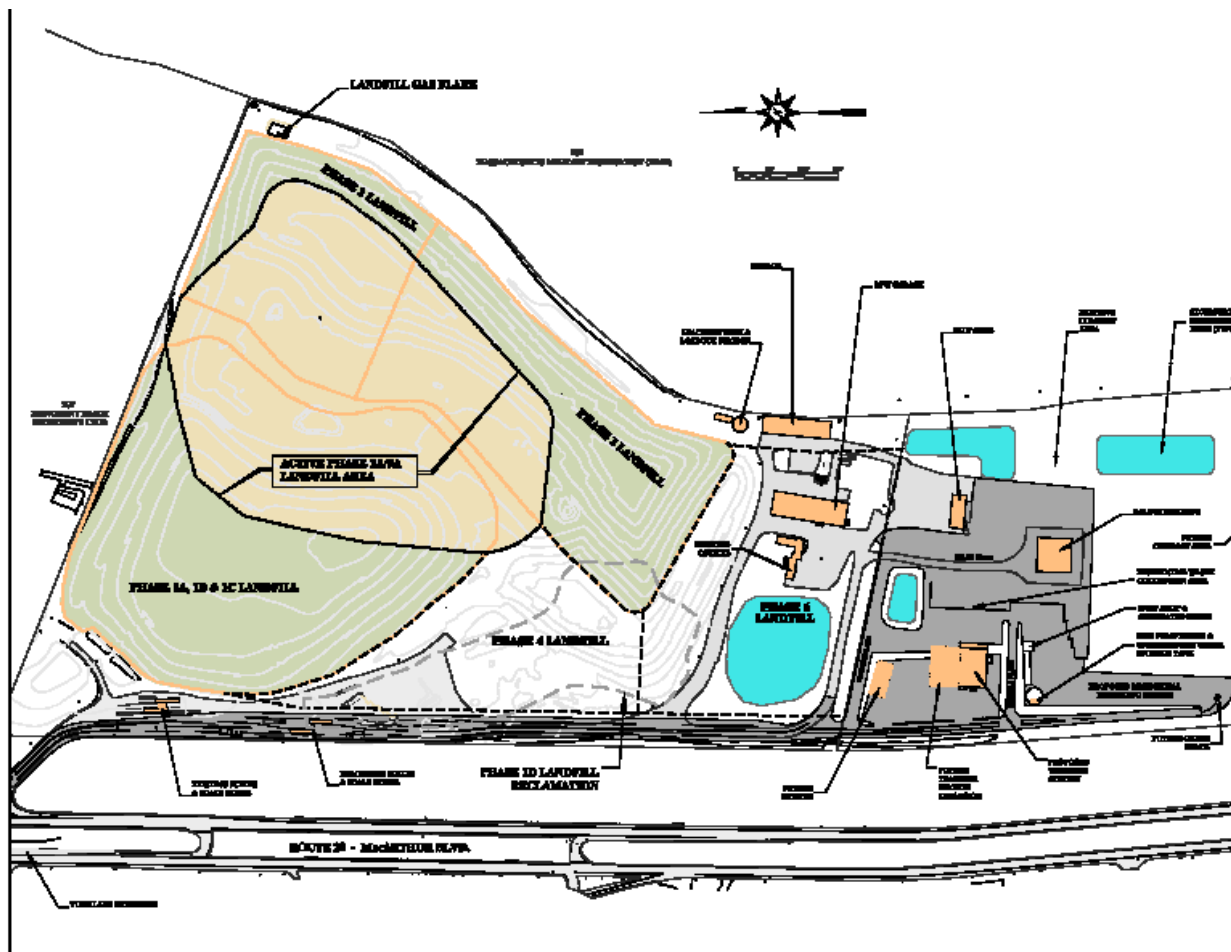
- **Have Boards speak in sequence on each issue**
- **Discuss areas of consensus and disagreement**

Conclusion

- **Define subgroup(s) to continue the process**
- **Agree on how to manage unsolicited vendor proposals**

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ISWM today: a **solid waste enterprise** providing \$ for the Town



ISWM Facilities

1. Landfill permitted for disposal of 219,000 tons/year (tpy)
2. Transfer station to handle C&D waste
3. Recycling center with baling facility
4. Compost/organics processing area
5. Infrastructure and space for more development
6. Landfill gas available for beneficial use

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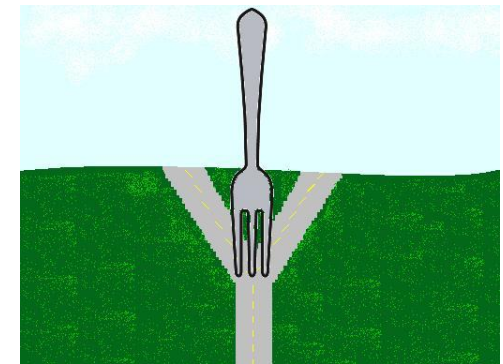
ISWM tomorrow: depends on choices made (or not made) today

Phase I: The Landfill Waste Acquisition Plan

1. Acquire waste at tip fees that
 - Generate cash to meet targets
 - Maximize airspace value
2. Manage business risks

Phase II: The Long-Term Site Development Plan

1. Manage Town waste after Landfill closes
2. Provide ongoing value for the Town



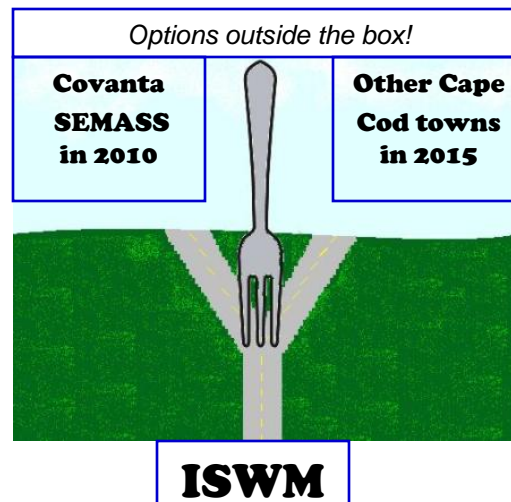
**ISWM at
the fork in the road**

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Q: Where can ISWM get stable long-term contracts for waste?

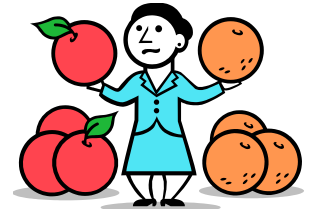
A: Two nearby stable sources:

- Processed bottom ash (PBA) from Covanta (SEMASS)
- MSW from other Cape Cod towns after 2015



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Q: *Which option is best?*



A: Does the Town prefer apples or oranges? Consider:

1. Landfill type:



Benefits and costs of an MSW landfill vs. a “dirt landfill”.

2. Facility life:



Landfill life, which depends on the fill rate.
Site activity after the Landfill closes.

3. Financial goals:



ISWM revenue to meet expenses and reserves
Town goals for host and admin fees
Landfill type and life affect financial results



4. Risks and rewards:



What would the Town risk for extra value?
What would the Town give up for stability?

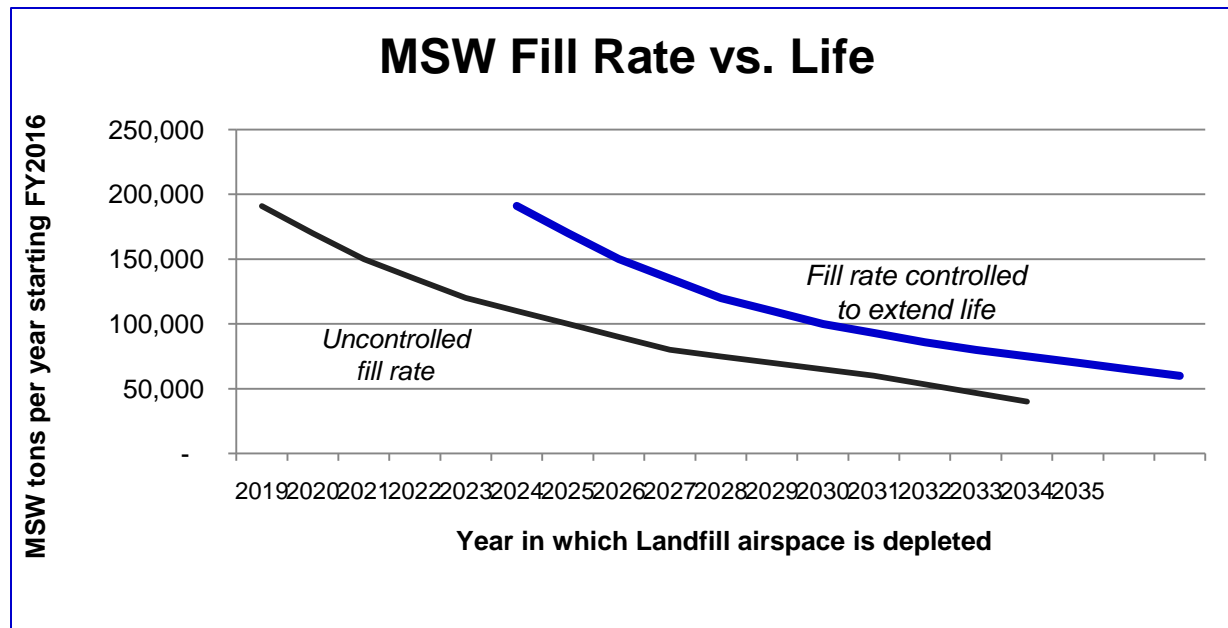
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1. Landfill Type	MSW Landfill 	"Dirt" Landfill 
Definition	MSW and other wastes that decompose (organics)	Ash, soils, inorganics, mixed and inert materials
Impacts	Control gas, leachate, odors and vectors Less dense (~1250 lbs/cy)	Less gas and odors to control, less overall effort More dense (~2000 lbs/cy)
ISWM LF 2009	95,239 tons MSW 80% of disposal	23,448 tons non-MSW 20% of disposal
ISWM LF 2015	MSW from Cape Cod towns	PBA from Covanta SEMASS
Tip fees	\$70-\$80/t MSW \$95/t gate rate	<\$20/t for some materials >\$50/t for choice materials
Revenue from airspace	\$44-\$50/cy MSW \$60/cy gate rate	<\$20/cy for some materials >\$50/cy for choice materials

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2. Landfill life: juggling dollars and time A faster fill rate means shorter life



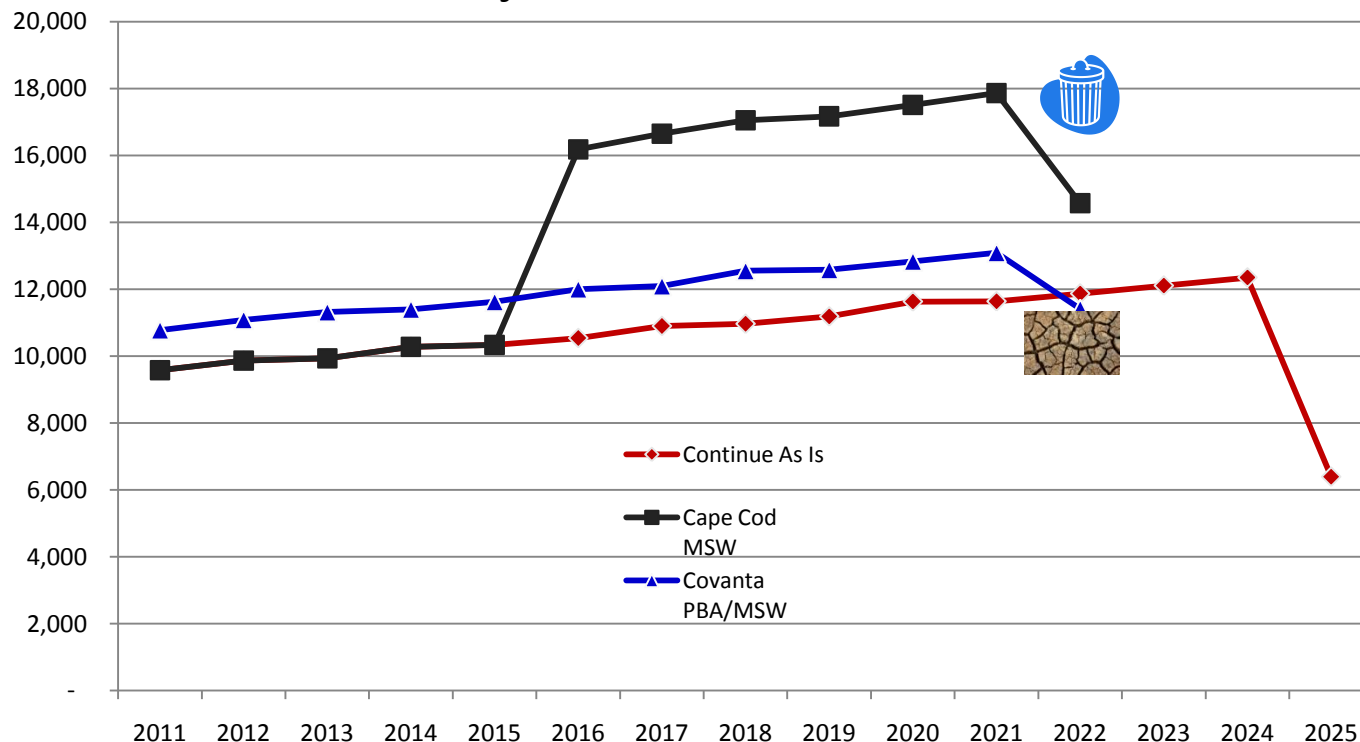
***The Town can control the fill rate
to meet planned contract needs***

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3. Financial goals: three possible examples of revenue scenarios



Projected ISWM Revenues



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4. Risks and rewards: findings

- MSW from Cape Cod towns offers the largest potential financial reward
 - Not available until 2015
 - Need interim strategy and long-term commitment (15 years)
 - Need strategy to provide service over full term
- Covanta PBA offers stability at reduced value
 - Need long-term commitment (10+ years)
- Decision time is now
- Other considerations
 - Hybrid deal with Covanta and the Cape towns
 - Develop remaining area on the ISWM site
 - Develop post-closure use of the Landfill

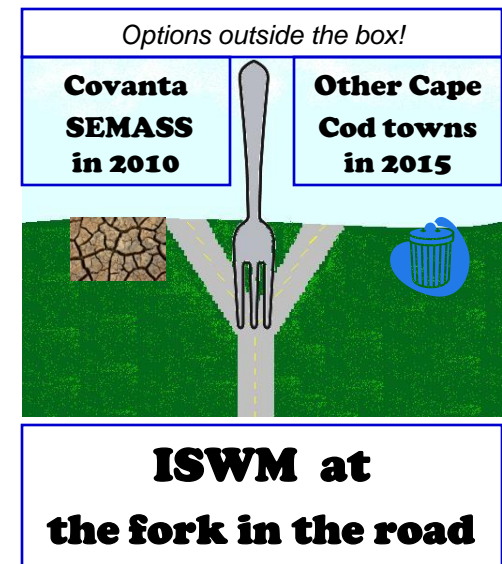
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Overall objectives

1. Identify trade-offs, preferences and priorities
 - a. MSW vs. "dirt" landfill
 - b. Landfill and facility/site life
 - c. Financial goals
 - d. Risks and rewards
2. Advise Town professionals on approach to Covanta and/or the Cape towns
3. Agree on methods for approval, monitoring, oversight and communications

Tonight's objectives

1. Identify areas of consensus and disagreement
2. Define subgroup and schedule for follow-up
3. Agree on how to manage unsolicited vendor proposals



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Process

- Each Board will speak in sequence on each question.
- Moderated general discussion will follow.

Ground rules for consensus-building

1. Take turns speaking. Don't interrupt.
2. State openly your needs, interests and hoped-for outcomes. What is obvious to you might not be obvious to others.
3. Ask questions to gain clarity and understanding, not to direct blame or attack.
4. Listen with respect. Try to understand each other. Each of us is entitled to our own perspective, even if we disagree.
5. Focus on the future. Learn from the past without dwelling on it.
6. Work toward common ground. Refrain from venting and narration.