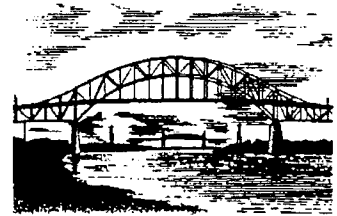


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TOWN OF BOURNE BOARD OF HEALTH

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TOWN CLERK'S OFFICE
BOURNE, MASS

MINUTES August 18, 2014

Members in attendance: Kathy Peterson, Chairman; Stanley Andrews, Vice-Chairman; Donald Uitti, Secretary; Galon Barlow; and Kelly Mastria

Support Staff in attendance: Lisa Collett, Secretary; Attorney Steven Torres

Meeting was called to order at 7:09 P.M by Chairman Kathy Peterson.

- 1. Harvest Power – Discussion and possible vote on approval of lease under Condition X of Site Assignment ONLY.** – Ms. Peterson stated that they have decided to break up this process into two parts. Ms. Peterson stated that condition 10 requires a vote from the Board of Health to allow the Selectmen to sign the lease with Harvest Power. Ms. Peterson stated that there was discussion back and forth as to whether this is necessary or not and counsel came back to the board and stated that it is. Ms. Peterson stated that under condition 10 it is to look into Harvest Power and get to know the company and see where the project is going. Ms. Peterson stated that she hopes with all this discussion, they will approve condition 10. After that approval, the board will meet again with Harvest Power under site assignment. Ms. Peterson asked if everyone understood to process. Ms. Peterson asked that everyone introduce themselves before the board and Harvest Power starts discussions. Mr. Sam Snellings stated that he works for Harvest Power as a project manager on the Bourne project specifically. Mr. Wayne Davis, responsible for safety, regulatory and governmental affairs. When he is not working for Harvest Power, he sits on a lot of committees for the Town of Carlisle. Mr. Davis stated that he is here to help and guide the board on making a decision to move forward. Mr. Brendan Moffatt stated that he is the Senior Vice President of Energy and oversees the existing plants in Orlando, Ontario and Richmond, B.C. as well as huge projects such as this one. Mr. Peterson stated that there is also a representative from the Finance Committee as well as one of the Selectmen. Mr. John Redman from the Finance Committee and Capital Outlay as well as on the ISWM Working Group. Mr. Steve Mealy stated he was a newly elected member of the Board of Selectmen and is also an electrical engineer. Mr. Mealy stated that he is in support of this proposed project. Ms. Peterson stated that Mr. Dan Barrett and Mr. Steve Torres are also present for this meeting. Ms. Peterson asked that Mr. Snellings open the discussion. Ms. Peterson reminded the board to not ask question regarding their

financials because that discussion will be saved until the board calls for an executive session. Mr. Snellings stated that he can talk about going into an executive session but he is not sure what he can actually disclose in the executive session. Mr. Snellings stated that they are here tonight to talk about public record issues. Mr. Snellings opened the discussion by walking through the presentation he submitted to the board members. Ms. Peterson thanked Mr. Snellings for his presentation and stated that it is difficult for board to ask questions at this time because no one has had any time to review the lease. Ms. Peterson stated that Attorney Torres has put together a list of questions that he feels the board should ask of Harvest Power. Ms. Peterson asked if it would be ok to just go through the list of questions starting with number 1 which is how the project site will be managed. Mr. Snellings stated that these questions were not the questions that they were sent to review before the meeting. Mr. Torres stated that the first item that Harvest Power received was an information and document request which was generally just a follow-up on what the chairman asked earlier on what Harvest Power has done in the past. Mr. Torres stated that the condition 10 process is essentially the front end of an RFQP. This means it is a review of the qualifications of Harvest Power to do the project without getting into the project specific criteria of the site assignment and environmental permitting. Mr. Torres stated that with the presentation already given by Mr. Snellings probably already addresses most of the questions on the list. Mr. Torres stated that he informed Ms. Peterson that a lot of the documentation has already been submitted at the very beginning of discussion approximately 2 years ago. This request is to get the Board of Health members comfortable and in a position to signed off for the project to move forward. Mr. Davis stated that Harvest Power has already submitted the necessary documentation for the RFP by following the Massachusetts Procurement Law. Mr. Davis asked if the documentation that has already been submitted can be shared by the other departments within ISWM and the Town of Bourne and get copies to the Board of Health members so that 2 years of work is not duplicated. Mr. Davis stated that his concern is being caught in a situation of possibly supplying other information then what was submitted 2 years ago. Mr. Davis stated that he understands there have been some changes due to updates since two years ago but feels the Board of Health should have already received copies of the RFP from those other departments for their review. Attorney Torres stated that he could not answer why this information has not already been shared. Attorney Torres stated that the Board of Health had extremely limited involvement with the process prior to the recent decision by Town Counsel and the Board of Selectmen to involve the Board of Health. Attorney Torres stated that Harvest Power is not being re-qualified for the project because they have already been selected by the town with a pending contract. The request is just for a quantity of information to the Board of Health so they can perform their responsibility under condition 10 which is essentially to approve whoever takes over the site because as Mr. Davis knows there are a lot of startups in this business who can't qualify for these projects. Mr. Davis stated that was fair enough and will respond to the board's questions as best as they can. Mr. Davis stated that he would like to get the documents to the board but without overwhelming them and overwhelming Harvest Power to have to produce all those documents again. Ms. Peterson stated that she does not think it will be that difficult to ask the powers that be to produce copies of these documents so that

Harvest Power does not have to waste time reproducing them again. Mr. Barlow stated that the board is not here tonight to discuss Harvest Power project at all they are just here to discuss condition 10 and whether the board will support or not support. Ms. Peterson asked Mr. Torres if these questions should even be asked tonight. Mr. Torres stated that rather than having Harvest Power answer the questions tonight, we could give them a copy of the questions so then they can put the answers together or they can say this particular question has already been answered in document response number 2 and so forth. That might be the most effective use of time and again these will clarify the information. Mr. Andrews stated that Mr. Torres is suggesting that Harvest Power go through the questions and note which section the answer is in. Mr. Torres stated that he will contact Harvest Power and create a checklist to see what questions still need to be answered. Mr. Barlow stated that he does not feel comfortable with the board taking any votes tonight. He feels the board should have time to study what Harvest Power submitted tonight. Mr. Davis asked if the board will give them time to look over the questions before continuing with the discussion. Mr. Snellings stated that they are in a timing crunch with their ability to complete their purchase agreement process which will be coming up very soon. Mr. Snellings stated that they were under the expectation that we had to come to this hearing and then maybe one more meeting but this is a whole other set of questions and is concerned that this process is going to take a lot longer then what was represented to him. Mr. Snellings asked what the board's expectation is as to how long this will take. Ms. Peterson stated that in the board's defense, they only just received these questions at 3:00 pm today. The board is just looking at all of this for the first time. Ms. Peterson stated that she understands that Mr. Snellings is focused on this project but she did inform Mr. Snellings that the Board of Health is coming on late and will need time to review. Ms. Peterson suggested a recess to allow Harvest Power to review the questions in private. **Mr. Andrews made a motion to recess. Ms. Mastria seconded. All in favor.**

The board returns from recess.

Mr. Snellings stated that for the newest questions, they will run through it, answer the board's questions and ask to clarify where necessary then at the end, will try to go back and answer questions they may not have been able to answer. Ms. Peterson stated that a lot of the questions have probably already been answered but this list of questions was formed to give the board parameters of what they can ask. Mr. Snellings stated that he agrees that the questions as presented is great and feels that he can answer them in a more complete way verbally then written. Mr. Snellings started to read from the list of questions.

1. Describe how the project site will be managed,
 - a. **Staffing** – Plant Manager who is responsible for this facility day in and day out, Team of Operators that are on at least 3 shifts with 2 or more people, a Mechanic for maintenance, Head of Operation who oversees all facilities and consists of Engineers, Regulatory person for Health and Safety which is a corporate function but they will be on site as well. There will be a team of approximately 8 to 10 people at the site. Then they are supported by at broader team at the corporate level. They will also periodically bring in local mechanical contractors to help support the plant.

- b. **Chain of authority** – Starts with the Plant Manager who will know the plant inside and out. The Plant Manager will have approval rights within their budget to purchase parts, safety equipment or whatever will be needed.
 - c. **Emergency and environmental incident response and reporting** – There is a corporate wide template that defines the chain of command, the accountability of the site manager and the employees. That template is then customized for each individual plant. It is very clear on who gets called for what things as in a case for example Environment Incident Reporting that varies by jurisdiction but there are places in the template to preplan in the event hazardous materials spill the contractors will be lined up and the phone numbers available.
 - d. **Project information provided to board** – Mr. Moffat asked for clarification on this item. Ms. Peterson stated it was already answered in the presentation.
 - e. **Status reporting of facilities, preconstruction, construction,** - Status reporting is essentially preconstruction, during construction and during operation with is monthly between ISWM and Harvest Power. Reports will include timelines, where the project is at this point and how is it continuing.
 - f. **including the names of**
 - i. **Site Manager** – Has not been hired yet but will be at a later date
 - ii. **Corporate level executive who will respond directly to the Board of Health Chair on any matter.** – Mr. Moffat is the contact person and will be very happy to assist with any questions or concerns.
 - iii. **Safety Manager** – Mr. Moffat stated that right now they do not have one for this specific site. Mr. Moffat stated that the 3 people present in front of the board tonight are the best people to contact regarding any safety issues the board members might have.
 - iv. **Liaison**
2. **Describe your plan and time table for obtaining project financing for the full cost of the project.**
- a. **Type of financing planned for project development (Debt/Equity/Combination)** – Mr. Snellings stated that it will be a combination of Debt and Equity.
 - b. **State/federal/incentives** – Mr. Snellings stated right now there aren't any but they do have a power purchase agreement that is part of the PBA site. There is no incentive yet. Just the basic energy and processing fees and back end product sales. That is how the revenue is set up for right now.
 - c. **Timetable for project finance** – Mr. Snellings stated they continue to talk to lenders so probably out more than a year from now. Mr. Davis stated that they are not the type of developer who comes into a project without having the proper equity. They have investors in the company who expect that the equity for their energy projects comes directly from the ownership of the company.
 - d. **Interim funding** – Mr. Snellings stated that the interim funding is the internal equity fee. It covers all the developmental costs for engineering, permitting etc. is all funded by Harvest Power.
 - e. **Is this a separate project funding source from other Harvest projects, so that it is planned and finance regardless of any projects in the Harvest pipeline in other areas that may take priority and remove funding, causing potential project delays or project cancellation.** – Mr. Snellings asked the board for some clarity. Mr. Torres stated that in the business world there are a number of project sites. Companies will move forward with project planning, responsive proposals and working with the permitting agencies but of out 5 projects, the developer only intends to fund only 3 out of those 5 and move forward with the projects that seem to have an easy permitting process then drop the last 2 projects. This is what this question is referring to. Mr. Snellings stated that in this project is their prime focus in this State of Massachusetts.

4. **What are your plans to maintain insurance on the parcel you are leasing from the date of lease execution? Please describe.** – Mr. Snellings stated that the plan is to pay for the insurance policies. The insurance will be for what is required and nothing more. Mr. Barrett stated that all the insurance information is within section 20.

5. **Please describe your timeline and plan of events for permit applications, licenses and all preconstruction activities planned and necessary for site development, including?**
 - a. **Event** – Mr. Snellings stated that this are still a bit vague at this time. The first couple of months after the lease is signed they will put in an application for a power purchase agreement which is under a program with the state. The gives them a leg up on the process and the ability to obtain a price that makes this project possible. This is one of their biggest concerns because it is a really important project of economics that makes this project possible. After that, based on environmental surveys, they will move into permitting.
 - b. **Date of permit application** – Mr. Snellings stated that most of the timelines are outlined. Mr. Snellings asked the board about discussion they have had regarding extensions. Mr. Snellings stated that they will come before this board with what extensions they will need. In general the timelines will be within the state permitting timelines unless they are informed otherwise by the Board of Health. Mr. Torres stated that is understandable but would like to know when Harvest Power will apply with the DEP because then the Board of Health will know when the time starts ticking form there. Mr. Snellings stated the earliest most likely will not be until the beginning of 2015 but more likely in the Spring of 2015. It all depends on how the DEP process goes. Mr. Snellings stated that he cannot see happening earlier then the close of this year. Mr. Andrews reiterated that the project will not start for at least 4 to 8 months. Mr. Snellings stated that was correct. Mr. Snellings stated that they still need to prepare their applications. Mr. Davis stated it is very important for them to clarify is the Purchase Power Agreement. Mr. Davis stated that the Green Communities Act that passed years ago listed various types of energy programs and then in 2012 there was an amendment to that which created a special program for procurement of electricity. That program is only going to happen once for a variety of reasons. That has been held up but now the legislative session has finished they have been working with the utility companies so the program is supposed to be announced at any time now. The administration wants to get it done before the Governor leaves office. It is possible that they may release the procurement for this PPA process within a matter of weeks. Mr. Davis stated that a matter of his concern is that in order for Harvest Power to apply for that, they do need to have site control which means that the lease does need to get finished up. Mr. Davis stated that this is the one piece that shows how important it is to get this process get wrapped with reasonable expedition. Once that gets publically announced, then they absolutely will need site control so that they can apply. Otherwise this whole project will fall apart and the years of effect will be meaningless. Mr. Snellings stated that there is not any other alternative program. This is a one shot deal. Mr. Davis stated that they are not under any extreme time pressure right now but that literally could change right after Labor Day.
 - c. **Anticipated time period for application process** – Mr. Snellings stated that this question was already answered within question B. The board agreed.

6. **Describe the number of similar organics to energy projects you have completed or are in process, for each describe**
 - a. **Location**

- b. Solid waste volume or throughput
 - c. Technology used
 - d. Date of commercial operation
 - e. Issues during development, construction or operation. – Mr. Torres stated that this question is almost the same information that was already given from the discussion above.
7. Are you in the process of developing any other organics projects in Massachusetts that would take priority over this project with respect to schedule or finance? – Mr. Andrews stated that this too has already been answered.
8. Are there public projects where you have been a successful responder/bidder, awarded a contract and then terminated your involvement in the project, if so – Mr. Snellings answered NO.
- a. Location of the project -
 - b. Reason for project termination
 - c. Time in process that you terminated the project
9. Describe your timing and plan for application of any necessary interconnection permits, including - Mr. Moffatt stated that this is currently in the process and the approval timeline has already been discussed. Mr. Snellings asked if this question was answered to the boards' approval. Ms. Peterson stated yes.
- a. Regulatory approvals –
 - b. Utility company agreements and approvals
 - c. For each describe the current status of any pending applications/negotiations
10. Have you ever been found to be in default on a government contract, or entered into a settlement agreement with a government agency after being alleged by that agency as being in default? If so, for each provide – Mr. Davis answered NO.
- a. Name of the government agency or contract
 - b. Date of alleged default
 - c. Nature of alleged default
 - d. Disposition of alleged default
 - e. Any explanatory information you would like to provide.

Mr. Davis stated that they have now answered all ten questions and would like the board to make a decision tonight to move forward. Mr. Torres stated that he is satisfied as long as the board is. Mr. Torres stated that if the board has any other questions regarding Harvest Power's background or qualifications, it would be ok to discuss now. Mr. Andrews asked if there were any environmental issues in the past and how was it addressed. Mr. Davis stated that this questions is very similar to one already asked. They have the 3 energy projects. Two in London and one in Florida. They have no notices from the regulators and have gone through the permitting process with them and in all instances they have had recording obligations with submitting information. Sometimes they have had back and forth follow-up with regulators who require more information and clarification. Mr. Davis stated that in Vancouver, there were two situations. One is what he called a technical violation. The air permit there was a large number of reporting requirements. This was the first anaerobic digestive plant in the area and they were a little bit overboard on what they asked Harvest Power to do. They had difficulty trying to find engineers who could actually provide the testing surfaces that they required. The report done on the second round completed 3 months later, the engineering firm that Harvest Power recruited two weeks before the deadline had informed Harvest Power that some technicians had left the company and they missed their reporting deadline. The regulator stated that because they missed the reporting deadline, they must be written up for it. The regulator wrote it up as a violation but later determined that it was not Harvest Powers. There was no other enforcement. The other situation, on the wastewater discharge was some higher levels of potent elements that they need and so sometimes there are reports that are higher than they are supposed to be discharging into the sewer system so there have been reports on that regularly. They have been working with the regulators who have asked Harvest Power to come up with compliance programs to help bring the levels

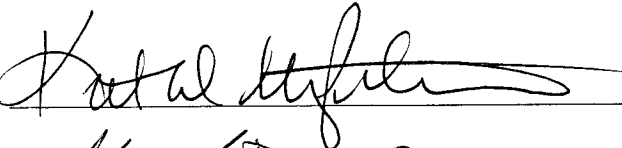
back down. The compliance program has been submitted. They have come up with some interesting results from our treatment options. The other thing that they try to do is instead of just trying to treat the problem, they try to go to the source. They experiment with different operational ways of managing this and having some pretty good success. This is an ongoing situation which they have not completely finished with yet. They have kept the regulators up to date with constant communication and they are very happy with the progress. Harvest Power has never been fined for a violation. Mr. Davis stated that with this facility in Bourne, it is considered low solids and there will be a treatment facility on site to deal with issues like these. Mr. Torres stated that this makes a lot of sense to him. Mr. Andrews asked if these are the only environmental impact issues that this company has experienced. Mr. Snellings stated that was correct. Ms. Peterson stated that the next meeting is scheduled for August 27, 2014 so any information that the board still needs to review needs to be received by the office on the Thursday before. Mr. Snellings stated that the request for more documents is ok but will need to know beforehand which are confidential. Mr. Torres stated that Mr. Snellings should send any requested documents to his attention. He will determine what should be kept confidential. If the board is comfortable without those financial documents that would be questionable then we can proceed. Ms. Peterson asked the board if they are comfortable with Mr. Torres deciding what documents the board and review at this time. Mr. Barlow stated that on this specific issue yes. Ms. Mastria stated yes. Mr. Uitti stated yes. Mr. Andrews stated yes with one question which is if a document is deemed confidential, the board is still able to review just not in an open public meeting. Mr. Torres stated that was correct. Mr. Davis went over the procedure again to be sure he understood what the board is discussing. Mr. Davis stated Harvest Power will submit their financial records to Mr. Torres who will review them and share his opinion with the members of the board or share the documents with the board. Mr. Torres stated that he would look at Harvest Power's certified financial statement from last year and inform the board that they are good. 1:14.33

Mr. Andrews made a motion to adjourn. Mr. Uitti seconded the motion. It was a unanimous vote and the meeting adjourned at 8:46 P.M.

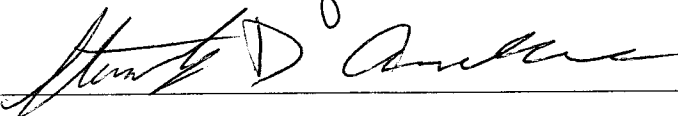
Taped and typed by Lisa Collett, Secretary

Reviewed and approved by Cynthia Coffin, Health Agent

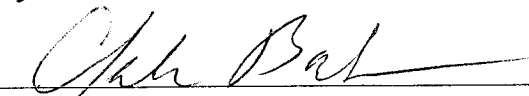
Kathleen Peterson



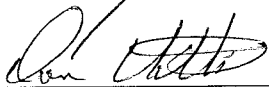
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