

SPECIAL COMMITTEE ON SOLID WASTE ACTIVITIES

March 31, 2008
Aldermen M. Roy, O'Neil,
Lopez, Osborne, Domaingue,

*Immediately following
Mayors Budget Presentation
Aldermanic Chambers
City Hall (3rd Floor)*

Chairman M. Roy called the meeting to order.

The Clerk called the roll.

TABLED ITEM

3. Update on recycling and solid waste contracts.
(Note: Tabled 3/3/08; Retabled 3/18/08; Patrick Corcoran, President of Corcoran Environmental Services, to provide further analysis of top three alternate sites for his proposed recycling facility, inside and outside of Manchester. Copies of the Corcoran site presentation from 3/18/08 sent under separate cover to the BMA.)

Alderman Osborne moved to remove item number 3 from the table for discussion
Alderman O'Neil duly seconded.

Chairman M. Roy stated we are looking for an update regarding facility location and paring down from last weeks conversation. I would ask the members as we look at this to go ahead and think of the budget presentation we just received and the leanness of City funds and the potential of revenues that this would add to the City. That being said I would also ask that we stay here long enough this evening that we make a recommendation to tomorrow nights full board. We have quite a few Alderman here sitting in seats and in the audience and I would ask that we work hard to get this resolved. With that being said would you like to present?

Patrick Corcoran, Corcoran Environmental, stated my firm manages recycling programs throughout New England as well as down south. We currently manage a little over 140,000 tons of recyclables and solid waste, construction demolition debris in 2007 so a substantial amount of volume. Given that and the volume that

you folks are familiar with it would be three times the City of Manchester's trash and recyclables that my company handles per year as of last year. This is a recap as asked, third times a charm, of the different options that are available for the City of Manchester and my firm to agree on to move forward. Listed in, I would say my list, I would say I have, my firm spent just under \$600,000 trying to get approval to move to Dunbarton Road and we all know that that didn't go that well last fall. That is listed on page 2 of the outline. I would be happy to answer any questions. I just need direction, I need a resolve. I was asked this passed week from one of our current communities, if we do not get going on this they are going to have to start looking to competitors. This municipality is very large and very close to Manchester; their tonnage would probably be close to 300,000 tons on an annual basis. Substantial tons that need to come into a facility to help cover operating costs. The point of this whole process is to understand what materials for recycling facilities are. They take in clean recyclables. Single stream is the process of bring all of your bottles, cans, newspaper, card board, junk mail, office paper together in one container which I showed you all a couple weeks ago, and using out subcontractor Pinard Waste Services they would be picking that material up on a weekly basis making it very convenient and easy fro the residence in Manchester. At the same time for the discussion you just finished up on the City of Manchester's budget, you have budgetary constraints this would be a perfect way of cutting some costs by decreasing your disposal. The City of Manchester currently disposes of NSW at around \$67 a ton and the City of Manchester generates a little over 48,000 tons of municipal solid waste on an annual basis. Single stream recycling is again blending all the materials in together making it very convenient for your residents and then bringing it to a facility, this is not trash, that separates it both by mechanical and what's now called object sorts magnets at a current gravity and different things like that that are out there. These plants are high tech; state of the art machinery alone is close to 5 million dollars that would be going into our plant. We need these tons that are basically walking away from us to cover the expenses of either building or buying a facility and also putting the equipment inside of it.

Alderman Osborne asked in the five choices that you have here, which ones are you ready to move on tomorrow or which ones you cant move on tomorrow.

Mr. Corcoran stated there are two which would be the first one and also the third one.

Alderman Osborne asked one and three are the ones you could move on right away?

Mr. Corcoran Stated that is correct.

Alderman Lopez stated I want to talk about Dunbarton Road. We have an agreement for you. I need to know from you a little bit more about Dunbarton Road. The infrastructure that we are talking about is fixing the road over there and putting in sidewalks. That was part of the thing that you would have to do if you went there. If the City did that, could you still go to Dunbarton Road? I need to have that answer before I go any further.

Mr. Corcoran stated one moment (as he spoke to Kevin Sheppard, Public Works Director.)

Mr. Corcoran stated the reason I ask Public Works Director, Kevin Sheppard, is because quite honestly, I have been told that my company is going to be walked into Dunbarton Road almost two and a half years ago. The City would really need to assure my firm that walking in and going back to Dunbarton Road, it would happen.

Alderman Lopez asked what do you mean walking into Dunbarton Road?

Mr. Corcoran stated that the City is going to take the responsibility whether it be residential opposition, Alderman opposition, the Mayor opposing the project public, which we have documented. The infrastructure cost, the cost that my firm has already spent getting up to Dunbarton Road that I will have to spend again to go up the same road. There is a tremendous amount of negative weight that has been applied to going to that site. If the city is willing to give me the golden glove and help me get there.

Alderman Lopez stated lets be specific of what you are talking about. Golden glove, just what would you want the City to do and then I have to ask the City Attorney a question if it's out of hand, that we can't do it legally.

Mr. Corcoran stated first of all it was discussed by and Alderman that was running for that ward that my firm would be sued to go up that road. Whether that is accurate or not there is an issue. You have the infrastructure.

Chairman M. Roy stated I am going to interrupt you a little bit just to keep this moving in the right direction. Is that a possibility on any site? No matter where you go?

Mr. Corcoran stated that site is not zoned industrial so the City's ordinance is less favorable to go to that site versus other sites that are zoned industrial. So there's an argument for those residents. There absolutely is an argument for those residents. Whether I agree with it or not has nothing to do with this process.

Alderman Lopez stated I just want to make sure we have everything on the table so that I understand so if I have your permission to continue and City Solicitor you can stop me at any time if we are getting too far here. You have a contract to go to Dunbarton Road that was the agreement; you go to Dunbarton Road in the beginning. You say “walk through” define.

Mr. Corcoran stated assist completely.

Alderman Lopez asked what does assist mean?

Mr. Corcoran stated if there is an issue that arises with a resident the city manages it, if there is an issue that arises with the infrastructure development the city addresses it and takes care of it. Literally with Kit gloves I have already spent close to \$600,000 of my money. I will never see that back. I have two beautiful bankers’ boxes in my office in Kennebunk Maine. Full of paper.

Alderman Lopez stated I agree with you and I am just trying to understand a little bit. Now City Solicitor will answer this question in reference to where in the best interest in the city we always can bypass a lot of regulation because we are not obligated to our own regulations if we pass it as a board. Is that the certain case that we have here, comparison like we have at Derryfield or any other agreement we have had. Could you guide us on this please? Do you understand my question?

City Solicitor Clark stated I think you are asking whether or not he would need to go to Zoning and Planning. In my opinion, yes he will.

Alderman Lopez asked so we would have no authority over Zoning and Planning and waiver any requirement.

City Solicitor Clark stated no, you can only exempt yourself for specific governmentally uses. After I had spoken to you the other day I went back and did a little more research on it. My office had already researched it about a year ago and had given advice to the Planning Department that they had to go through the regulatory process.

Alderman Lopez asked ok. Where does that put Dunbarton Road? Since we don’t have any authority in exempting you. In comparison we exempt for the best interest of the City. Where would that put you. Can you still go to Dunbarton Road if we do the infrastructure and follow the guidelines of Zoning and Planning?

Mr. Corcoran stated I don’t know whether the City Planning and Zoning is going to allow this project through there. My personal opinion from the feedback when I

sat here last August and July was that the City residents were not going to allow this project up there without a large fight and quite honestly your asking a small firm to take on the City for how many years. Every time, every day we are losing tons that are going to other competitors that this City wants. This City wants that revenue. I understand I stood here for 15 minutes listening to the budget and I listened to some of the comments as people were leaving they want revenue in the city. Going to another site within the City accomplishes that. Maybe less painful.

Alderman Lopez stated just to answer your question, I don't want to prolong all night, and the Planning Board and the Zoning Board have a fiduciary responsibility and certain guidelines in order to meet that requirement. I think they do a pretty good job. It doesn't make the difference and with all due respect to the residents of the City of Manchester. I go there sometimes and they don't listen to me sometimes. So, you know, we voted as a full board to go to Dunbarton Road complying that you comply with all the regulations set forth. Now naturally you are going to have everybody up in arms and they are going to come and they are going to speak before the Planning Board and Zoning Board. That's not the issue. That is the process that everybody goes through as a business person. Do the numbers work for you to go to Dunbarton Road in compliance with the contract that you have signed with the City?

Mr. Corcoran stated the cost of building has increased by a third. We still have the issues of the infrastructure. I have yet to see a letter of intent for the City to say that we are going to do the infrastructure. We have been awaiting, this is my eleventh discussion, meeting, presentation since last August. We have yet to see anything back from the City saying, we really would like to work with you. I now have been bumped all the way back to a process that happened almost 4 years ago where you folks had this project and moved it up.

Alderman Lopez stated I think the City wants to work with you; we want the project in the City of Manchester we don't want to go outside the City of Manchester and pay more to take the stuff there. I think that is the reason we are here tonight. I think the Chairman has tried to work with you. I just need some straight answers so if we say Dunbarton we are going to release you from Dunbarton and you want to go to Frontage Street. Where if Frontage Street?

Mr. Corcoran stated Frontage Street is I believe right where you Ryder truck, its right beside the highway. Off South Beech Street. Getting back to another point Alderman Lopez my trucks were apparently going to be driving over antique cars, my trucks were apparently going to take furniture off walls, last year I had everything except for running over children blamed on my company and my reputation. That's not how you usually treat somebody who is trying to engage in a great project.

Chairman M. Roy called a brief recess.

Chairman M. Roy called the meeting back to order.

Alderman Osborne stated we have to remember that this is industrial property on Gay Street so there could always be something else coming along to go there that could be ten times the problems than solid waste. It's a catch 22 it's either Manchester or out of Manchester I guess. It's a quite simple thing. It's a very tough situation like I said before Alderman DeVries and Alderman Domaingue its hard for them because its their Ward and they have to protect it like I do in my ward that's for sure. We have to understand we have to go forward with this one way or the other. Thank you.

Chairman M. Roy called for any other comments from the members of the panel or the board. If not I would look for some resolve.

Alderman Domaingue stated I would move that the committee vote in favor of releasing Corcoran Environmental from Dunbarton Road on the condition that they bring in evidence on a firm commitment acceptable to the City Solicitor of an alternative location in the City of Manchester. All of the remaining terms and conditions in the contract will remain the same. Alderman Osborne duly seconded the motion.

Alderman Lopez asked Patrick do you understand that completely.

Mr. Corcoran stated well there is a bunch of you versus me so let's just make sure I have this correct. First of all firm assurance means a purchase in sale. Mr. Clark would that be correct?

Tom Clark, City Solicitor stated yes it would have to be a purchase in sale which would not allow you to get out of it after we have released you from Dunbarton Road. It would have to be a very firm commitment yes or a lease agreement.

Mr. Corcoran stated also for clarification the renegotiated outline of the contract has a hand full of issues in it so I will just point out a few of those. The lease on Dunbarton Road, profit sharing so you are saying that those things have to stay in place?

Chairman M. Roy stated the motion states the same terms and conditions so yes at this point they would be requested to...

Alderman Lopez stated I would like to ask the City Solicitor to answer that I don't want any interpretation legally from anybody else with all due respect.

City Solicitor Clark stated based upon the motion made before the committee the change in the contract assuming you came in with the assurances of the new property, we would be exchanging that property for Dunbarton Road. The other terms and conditions of the contract would remain the same which would include profit sharing. The one change that would take place would be the lease payments would no longer be there to the City of Manchester.

Mr. Corcoran asked would I get this in writing, specifically spelled out? I would ask that because obviously I am going to have this reviewed with my attorney.

City Solicitor Clark stated it can be put in writing after tomorrow night because it is going to the full board tomorrow night. I am not signing it until they have voted on it.

Mr. Corcoran stated I have to take my wife to surgery in the morning so certainly your time is fine with me. There are a handful of concessions that were also in the passed negotiated and offered to the City those obviously will also come of the table. I am not sure if you all are familiar will all of those.

City Solicitor Clark stated I am not sure which ones those were. The motion before the committee is strictly what it was. Dunbarton Road would be released if you had evidence of firm commitment of another site in Manchester.

Kevin Sheppard stated Patrick one thing he just mentioned is if he did not go to Dunbarton Road, his kind of proposal to the City was to eliminate the revenue sharing but add in \$2.50 for the City tonnage which was not in the original contract. I believe Tom can answer this but again obviously we are going back to the original contract revenues.

City Solicitor Clark stated correct.

Mr. Corcoran asked final question, what happens if a facility within the City of Manchester in the next 30 days is no longer available.

City Solicitor Clark stated then we still have our contract.

Chairman M. Roy stated I will go back to the original statement that we will have a meeting a week until we find some resolve to this so if you pursue a building or a number of buildings and don't find a resolve we will meet with you as you have said whenever and however. Any other questions from Mr. Corcoran, Mr.

Sheppard? Any other Committee questions? Chairman M. Roy called for clarification of the motion.

Alderman Domaingue stated the motion being as follows that the Committee vote in favor of releasing Corcoran Environmental from Dunbarton Road on the condition that you bring in evidence acceptable to the City Solicitor of a firm commitment of an alternative location in the City of Manchester. All remaining terms and conditions will be the same.

There being no further discussion Chairman M. Roy calls for a vote. The motion carried with Chairman M. Roy duly recorded as abstaining.

There being no further business on motion of Alderman Lopez, duly seconded by Alderman Domaingue, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee