

E. NARRATIVE AND FEASIBILITY REPORT

Community Facility Program Loans, Grants and Loan-Grant Combinations

Applicant's Name: Town of Tamworth, New Hampshire

Amount Requested from Rural Development: \$0 Loan \$493,570.00 Grant

1. **What service does your organization provide?** *Describe services at the proposed facility and other facilities which you may operate.*

The Town of Tamworth provides utility, public safety, recreation, road maintenance, waste disposal, and numerous other municipal services to its 3,077 residents (2019, New Hampshire Employment Security) and summer residents and visitors each year.

The current transfer station provides management services of household and construction wastes prior to transfer off site to landfill (92%) and recycling markets (less than 8%). (Based on 2020 data.)

2. **Service Area.** *Indicate what area the proposed facility will serve and, if known, list the population and/or number of families.*

The proposed expanded recycling facility will serve the 3,077 residents of the Town of Tamworth. As of 2019 there are 2,003 housing units (New Hampshire Employment Security 2019 data) in Tamworth. According to site monitoring and car counts conducted by the citizen-led Tamworth Recycling Project (TRP), the Tamworth Transfer Station served an average of 1,184 households per week in July of 2020. In future years, the expanded recycling facilities may be able to accommodate marketable recyclable materials from local businesses outside the town of Tamworth, capacity permitting.

3. **Existing Facility/Equipment.** *Briefly describe what facilities or equipment you currently have or how service is currently provided.*

The facility is located on an 85-acre parcel of land owned by the town. The site that the present transfer station sits on is approximately 3 acres, plus a paved road into the site. There is a small office room attached to the MSW compactor building. At present there are no water, septic, or sanitary facilities at the site. There are plans to install a well, septic and bathroom in 2022 using federal American Rescue Plan Act (ARPA) funds.

Current Tamworth Transfer Station Equipment	
Equipment	Purpose (Storage/Processing)
One (1) compactor – 21 years old	Municipal Solid Waste
One (1) compactor – 30 years old	Tin cans
One (1) can crusher – 20 years old	Aluminum Cans
Three (3) closed top 30-yd roll off containers	Glass and crushed aluminum cans
Two (2) walk in 42-yd roll off containers	Cardboard
Two (2) open top 40-yd roll off containers	Construction & Demolition (C&D) debris
One (1) open top 30-yd roll off container	Heavy metal
Three (3) closed 42-yd roll off containers	Municipal Solid Waste
Two (2) walk in 42-yd roll off containers	Tires, refrigeration units, electronics
Case backhoe loader – 19 years old	Crush down C&D in dumpsters, snow clearing

The Transfer Station cost the town \$295,339 to operate in 2020, with the bulk of the costs being labor (44%), hauling and tipping fees (49%), and energy (1%). Tamworth currently receives \$52,641 in revenue - \$1,152 from marketed recyclables and the remainder from fees for construction debris, tires, electronics, etc. The approved budget for 2021 is \$336,468, a 12.5% increase over 2020. Our Transfer Station costs increased 8.8% annually on average from 2018 to 2020 and are projected to rise at least 4% per year for the next 3 years due to our current waste-hauling contract with Waste Management, which expires in October of 2024.

4. **Proposed Facility/Equipment.** *Describe what you want to purchase and/or construct. Indicate what the facility or equipment will be used for, approximate size, and expected method of procurement. For projects, which involve construction, indicate location, size of site, basic materials or type of construction, and attach a sketch, site plan and/or working drawings. For items of major equipment, indicate new or used, existing or custom-built, or special features. Address what, if any, alternatives were considered in developing this project.*

The proposed project includes a facility addition and new equipment to be constructed and installed at the present Transfer Station site to enable efficient source-separated recycling, with sorting, baling, storage, and eventual marketing of recycled materials. The project will save the Town of Tamworth approximately \$60,000 per year from avoided landfill costs and will increase recycling capacity and revenue. This project will reduce an estimated 371 tons of household waste going to the landfill each year by recycling those materials instead, thus reducing greenhouse gas emissions. Energy efficient practices, like LED lighting, will be incorporated into the new facility addition.

The project includes constructing a metal building (48 ft. x128 ft.), with recycling bins and storage areas for baled commodities, a baler, and a forklift for moving the materials and loading of trucks. There would be a covered loading ramp, office space for facility staff, tool room, break room, and emergency eye wash and shower station. Truck scales will be

installed for charging the appropriate amount for disposal fees, and to check the shipping weight of our vendor's trucks. The requested grant funds will be used to replace the old MSW compactor and change the configuration of the Construction & Demo and heavy metals area for the roll-off containers. Part of the overall project (not covered by USDA Community Facility funds) includes the new water and septic systems that will be installed in 2022 using American Rescue Plan Act funds. These new sanitary services will be connected to the proposed recycling facility when that is completed in 2024. (*See attached preliminary site plan.*)

The Town of Tamworth will procure equipment through an open, public solicitation of three bids including options for new or used equipment. The Tamworth Transfer Station Improvement Committee (TSIC) does not predict the need for custom equipment and will benefit from existing equipment designs.

In developing this project proposal, the TSIC considered additional alternatives including: no changes to the present operating conditions, zero recycling, single stream recycling, and a regional facility serving surrounding towns. The findings below were presented to the Tamworth Select Board.

- Zero recycling will save the Town approximately \$40,000 a year but won't meet the Town's goals of increased recycling and environmental protection.
- Single stream recycling will cost the Town an additional estimated \$24,500 a year and likely result in less material ultimately being diverted from landfills.
- Regional cooperation is not a viable option at this point due to a lack of interest from surrounding towns. As rural towns, the distance to travel to a regional facility would be burdensome, increase transportation costs, and cause more air pollution and greenhouse gas emissions.

The preferred option is to increase recycling from 8% to 35% through community education campaigns and building the facility's capacity to bale and competitively market valuable recyclable commodities in response to market demand, which is currently the strongest it has been in many years. The proposed project, with USDA grant funding, will have a buy-back period of approximately 15.5 years,¹ after which it will continue to save the Town taxpayer dollars.

5. Need for Facility and/or Equipment. *Indicate why the proposed facility is needed. Include comments regarding similar facilities and services in the area, usage trends, community support and regulatory agency approval. If the facility will provide an expansion of service, please explain.*

The proposed recycling additions (constructed storage area and equipment purchases) at the Tamworth Transfer Station will enable Tamworth to divert waste from New Hampshire's

¹ Based on a simple buy-back calculation that includes 1) \$916,630 town funding 2) \$493,570 USDA Grant 3) savings of an estimated \$60,000 per year when operational in 2024

landfills, which are currently reaching capacity. The new infrastructure will save the Town approximately \$60,000 per year in avoided trucking and landfill fees (\$40,000) and increased revenue (\$20,000) from source-separated recyclable commodities. Under Tamworth’s current waste contract, we know there will be an annual 4% fee increase – meaning the town needs to be proactive about off-setting those costs by improving on-site waste handling practices. Tamworth currently has limited recycling capacity and is unable to bale materials, which requires the community to ship products (loose) at a significantly higher cost and receive lower value than would be received if the products were baled. In some instances, Tamworth must even pay vendors to take recyclables away. Our usage trends, like most communities across the country, have increased in the past two years due to the COVID-19 pandemic and more online consumer purchases, which has resulted in more cardboard and other recyclables being brought to our transfer station.

Members of the Tamworth community supported efforts to seek expansion of recycling capabilities at the 2021 Town Meeting, overwhelmingly approving \$100,000 to be reserved in the town’s Capital Improvement Program for preliminary work towards a new recycling facility. The Capital Improvement Program committee has placed another \$200,000 in the 2022 proposed budget pending approval at the 2022 Town Meeting. Non-monetary community support includes the citizen-led Tamworth Recycling Project (TRP), which has been an active group in Town for the past 3 years, providing research, educational campaigns, sign painting, and volunteer services for a “Swap Shop” at the Transfer Station. The Transfer Station Improvement Committee (TSIC), which is separate from the TRP, was established by the Tamworth Board of Selectmen in 2021 to explore options and alternatives to increase recycling capacity and improve the health and safety conditions at the Transfer Station.

As a municipal facility, the proposed project will not expand the service area; rather, it will expand the quality and efficiency of the facility’s existing waste management services.

6. Cost Estimate.

Development and Construction	\$ 1,066,000	_____
Land and Rights	\$ 0	_____
# Acres owned	\$ 0	_____
to be purchased	\$ 0	_____
Legal Fees	\$ 0	_____
Architect/Engineer	\$ 75,000	_____
Equipment/Furniture	\$ 141,000	_____
Interim Financing Costs	\$ 0	_____
Contingency 10%	\$ 128,200	_____
Total	\$ 1,410,200	_____

The town purchased the 85 acres of land that the current facility sits on over 20 years ago.

7. **Construction/Procurement.** *Describe the current status or plans for construction/ procurement such as design, vendor/contractor solicitation, etc. for the project. Note that federal funding requires maximum open and free competition which typically includes public bidding for construction projects and solicitation of at least three quotes for equipment procurement.*

The previous Chair of the Tamworth Board of Selectmen solicited two bids for a conceptual plan in June 2020 for a recycling facility addition, which was funded by a grant of \$11,752 from the charitable Tamworth Foundation. The conceptual plan was submitted in May of 2021 by the winning bidder, along with a preliminary cost estimate for the building, site work, scales, a roll-off area, and block retaining wall, and was presented to the Board of Selectmen. Additional research on associated equipment, including a baler, forklift, handling carts, and shelving, has been conducted by the Chair of the TSIC.

The Board of Selectmen approved initiating an environmental review for the proposed recycling structure at their December 2, 2021 meeting, pending a proposal and work estimate from the conceptual plan originator, in order to meet grant funding and regulatory review requirements for the project. The Tamworth Select Board will open public bidding for the site work and building construction, following USDA procurement guidance.

8. **Service to persons with disabilities.** *Please indicate whether your proposed project, when completed, will result in your services being fully accessible to persons and employees with disabilities. If not, to be eligible for funding you must work with a person knowledgeable regarding accessibility requirements to complete a self-evaluation and transition plan.*

As a public facility, the site additions will be designed to be ADA compliant. All working areas will be on one floor. If there are any compliance uncertainties, the Town may opt to work with a person knowledgeable about accessibility requirements to complete a self-evaluation.

9. **Financial Feasibility.**

This is a grant application and not a loan application; therefore we do not need a financial feasibility report.

10. **Other Funds.** *List the source and amount of funds that are available other than Rural Development, to fund the project. (Such as applicant contribution, commercial loan, loans/grants from other Government agencies or foundations, fundraising or gifts.)*

Source	\$ Amount	Status of Commitment
Capital Reserve	\$100,000	Committed
Capital Reserve	\$200,000	Pending – Warrant Article, Spring 2022

The Town of Tamworth currently has allocated \$100,000 to improvements to the Transfer station and the 2022 Capital Improvement Program has allocated an additional \$200,000 for the project that will be voted on at the town meeting in the spring of 2022. The Board of Selectmen have allocated \$150,000 from ARPA funds for Phase I of the project, which includes septic, water and sanitary facilities to be completed in 2022. Should this grant be approved, the remaining funds to cover the project costs may come from budget allocations in 2022, 2023 and 2024 in the amount of \$305,543 per year. However, the Tamworth Board of Selectmen and TSIC will continue to seek grant funding for equipment and construction costs to reduce the resident tax burden.

11. **Other Credit.** *All applicants must certify that other funding from their own resources or through commercial credit is not available to finance this project. Provide a summary of **specific** attempts made to obtain financing. If your organization has cash reserves, please explain if these are not available to support the project.*

The Tamworth Transfer Station Improvement Committee researched financing options and determined that a bond would be significantly more costly to the Town, versus paying for the recycling facility improvements through grant funding supplemented with direct allocations from taxes to the Capital Reserve. A commercial loan would also be prohibitively more expensive for the Town.

12. **Board Members.** Attach a list showing the name, address, telephone number, and term of office for each member of the governing body.

Name	Address	Phone Number	Term
Rebecca Mason	Turkey Street Tamworth, NH 03886	603-323-7525	exp. March 2022
Melanie Streeter	Gardner Hill Road Tamworth, NH 03886	603-323-7525	exp. March 2022
Kelly Goodson	Page Hill Road Tamworth, NH 03886	603-323-7525	exp. March 2024
Aaron Ricker	Maple Road Tamworth, NH 03886	603-323-7525	exp. March 2024
Emery Roberts	Page Hill Road Tamworth, NH 03886	603-323-7525	exp. March 2024

13. **Do any members of the governing body or employees of your organization** have any immediate family members, known relatives or close associates who are USDA/Rural Development employees? If so, please list below or attach a list.

No members of the Tamworth Board of Selectmen have immediate family members, known relatives or close associates employed by USDA/Rural Development.

14. **Professional Consultants.** If applicable, indicate name and contact information (address, telephone, e-mail) for

Local/Bond Counsel:

Engineer: Bruce Knox, PE
53 Dismukes Street,
Kittery, ME 03904
603-662-5644
E/M knoxassociates@yahoo.com

Architect:

Accountant:

Other:

15. **DUNS Number:** 032705899

16. **System for Award Management (SAM) Registration:**

For an application to be considered complete, SAM Registration is required.

Have you registered for SAM? YES X NO ____

What is your Cage Number? _ 5VW91

17. If you are a Non-Profit, please attach form **Evidence of Community Support.**

The Town of Tamworth is a municipality, not a non-profit.

18. If you are a Public Body, please attach form **Public Body Certificate of Organization.**

The Town of Tamworth is a municipality, incorporated in 1766. A signed public body certificate of organization is included in this application.

The above information was completed by:

Signature: _____

Date: December 12, 2021

Name: William W. Farnum

Title: Chair of the Transfer Station Improvement Committee

I certify that I have reviewed the above information and it is true and accurate to the best of my knowledge:

Signature: _____

Date: _____

Name: Rebecca Mason

Title: Chair of the Board of Selectmen, Town of Tamworth, NH

Authorized Representative or Chair of Governing Board

Thank you for completing this Applicant's Narrative. Understanding your needs and proposed project will help us provide you with the best service possible