

**PROPOSED HOST COMMUNITY AGREEMENT
BETWEEN GRANITE STATE LANDFILL, LLC
AND THE TOWN OF DALTON, NEW HAMPSHIRE**

The following is a high-level overview of the proposed Host Community Agreement (HCA) between Granite State Landfill, LLC (GSL) and the Town of Dalton, New Hampshire (Town) as prepared by the GSL.

The HCA contains a total of \$2.2 million in direct financial and other benefits in year one and totals \$71 million over 25 years.

The following is a breakdown of those provisions and benefits, followed by a list of frequently asked questions:

Direct Financial Benefits

1. \$2,000,000 (increased each year by the CPI) to the Town in annual host community benefits, **including** property taxes paid by GSL, beginning when landfill operations start.
 - Benefits will be payable either directly to Town residents as a property tax reimbursement or to the Town in monthly installments. The Town will decide which form of payment to accept. Until the Town's lawyer can give such an opinion, GSL will make monthly payments to the Town.
 - Property tax reimbursement payments will be made to full time residents of the Town, including renters, who have lived on the taxed property throughout the full tax year.
 - Based on the Town's current budget, its tax rate, and the number of residential properties, this reimbursement would result in full reimbursement of total property taxes paid to the Town.
 - Because the benefits depend on the revenue generated by landfill operations, any restriction or reduction in disposal capacity due to New Hampshire Department of Environmental Services (NHDES) permitting would result in a reduction of benefits to the Town.
2. \$50,000 each year (also increased annually by the CPI) for projects to enhance the Town's aesthetics or promote the health, safety, and welfare of Town residents, beginning when landfill operations start. A committee with three members appointed by the Town and one by GSL will identify potential projects and present them each year for approval at the town meeting.
3. A percentage of the income generated by any renewable energy project that may be developed in association with the GSL landfill pursuant to an agreement to be negotiated between GSL and the Town if GSL develops such a project.

Additional Benefits and Services

1. Free curbside collection of municipal solid waste and comingled recyclables for all Town residents, non-industrial small businesses, and town-owned buildings, beginning when landfill operations start. This is a total benefit of approximately \$150,000 in year one.
2. Free acceptance of up to 1,000 tons per year of municipal solid waste and construction and demolition debris from the Town transfer station, beginning when the HCA is signed. This is a total benefit of approximately \$16,000 in year one.

Property Value Protection

1. GSL will enter into an agreement to protect the value of properties in the vicinity of the landfill against any reduction in market value caused by the presence of the landfill. GSL's parent company has such agreements at other landfill facilities and has found that they are rarely used by residents because the landfill does not reduce property values. GSL will offer this assurance to nearby Dalton residents, nevertheless.

While this document reflects the proposed HCA, it is not intended to replace it in its entirety. There are terms and conditions in the HCA that are not included in this summary that may, under some circumstances, affect the extent of the obligations for GSL and the Town. For a full understanding of the HCA, please refer to the full document.

Frequently Asked Questions

1. *How will it be determined if the Town or the Residents receive the monthly payments?*
 - The property tax reimbursement payments to Town residents are dependent on a written opinion from the town's lawyer that such payments are lawful. Until the Town's lawyer can give such an opinion GSL will make monthly payments to the Town.
2. *How will it be determined how much each Resident will receive?*
 - Because the total of the host community payment is fixed each year, the amount each resident receives in reimbursement annually will depend on whether there is an increase in (1) the number of Town residents or (2) the Town's tax rate, budget (spending), or property valuation.
3. *How is the amount of property taxes paid by GSL calculated?*
 - The New Hampshire Board of Tax and Land Appeals (BTLA) has determined how the fair market value of a landfill should be calculated for property tax purposes. Because landfills are unique land uses the methods appraisers use to value residential and typical business properties aren't applicable. The BTLA created a formula that basically sets the value based on future income of the landfill. The formula includes many adjustments to make sure that it is the current value of the real estate that is being taxed and not the landfill owner's income.