

MUNICIPAL REVIEW COMMITTEE, INC.

BOARD OF DIRECTORS

A special meeting of the Board of Directors of Municipal Review Committee, Inc. was held by conference call on Tuesday, March 27, 2018 at 11:00 a.m. In attendance by conference telephone were the following:

Directors:

Sophie Wilson, Orono
Catherine Conlow, Bangor
Karen Fussell, Brewer
James Guerra, Mid-coast Solid Waste Corp.
Tony Smith, Town of Mount Desert
Ralph Saucier, Town of Millinocket
Kevin Howell, Town of Carmel

Staff:

Greg Lounder, MRC Executive Director

Consultants:

Daniel G. McKay, Eaton Peabody
George Aronson, CRMC
Denis St. Peter, CES, Inc.
Jessamine Pottle, CES, Inc.
Kevin Tritz, PERC Holdings
Hank Lang, PERC
Gary Stacey, PERC

Jennifer Baroletti kept the minutes of the meeting and Vice President Fussell presided.

President Reeves was marked absent/excused. In his absence, Vice President Karen Fussell convened the meeting at 11:05 a.m.

**UPDATE REGARDING PLANS FOR DELIVERY OF BRIDGE CAPACITY WASTE
BEGINNING APRIL 1, 2018**

George Aronson reported that the Department of Environmental Protection (“DEP”) has issued a draft order regarding the application to amend the license of the Juniper Ridge Landfill

("JRL"). The draft order includes approval of the expansion of the ability of JRL to accept a certain threshold of in-state MSW. This approval has paved the way for the MRC, JRL, and Waste Management to implement a proposed waste swap agreement pursuant to which bridge waste from MRC towns that otherwise would be delivered to Crossroads could instead be delivered to JRL and a like amount of waste would be delivered by Casella to Crossroads, thereby effecting a one-for-one waste swap.

Dan McKay stated the principal order of business is to consider approval by the MRC Board of next steps beginning next Monday. George Aronson has been in discussions with all parties, and summarized the terms of a brief letter agreement proposed to be entered into by the MRC, Coastal, Waste Management and NEWSME, a Casella affiliate.

Kevin Tritz of PERC interjected that he has been in contact with Casella and was informed this morning that they have no waste contracted at this point for delivery to JRL. George Aronson confirmed that the contract has not yet been signed but that the MRC has received verbal confirmation that signature is forthcoming.

Kevin Tritz reported that the PERC plant will be operational during the planned outage next weekend that the reclaim area and tip floor would be available to accept MSW. Hank Lang reported that a boiler and turbine outage is scheduled for April 1st – 7th, and that no combustion would occur during that period unless the outage was finished earlier, but that the outage should not affect ability to accept MSW during that time period.

Dan McKay suggested to the Board that it consider approval of resolutions to authorize the MRC to enter into the proposed letter agreement in a final form to be determined and approved by the signing officer, which will provide the necessary authority and flexibility to

make last minute adjustments, if needed. Upon motion made and duly seconded, it was unanimously:

RESOLVED: That the MRC hereby is authorized to enter into a letter agreement among NEWSME Landfill Operations, LLC, Pine Tree Waste, Inc., Waste Management Disposal Services of Maine, Inc., Coastal Resources of Maine LLC and the MRC, addressing interim waste disposal arrangements for bridge waste delivered between April 1, 2018 until such time as Coastal is able to accept MRC waste at its waste processing facility in Hampden Maine, now under construction, such letter agreement to be substantially on the terms presented to the meeting with such modifications as may be approved by the signing officer, his or her signature thereon to constitute conclusive evidence of such approval.

RESOLVED: That each of the President and the Treasurer, acting singly, hereby is authorized to execute and deliver on behalf of the MRC all such documents, and to take all such other actions as may be necessary or appropriate in order to implement the foregoing resolutions.

UPDATE REGARDING STATUS OF CONSTRUCTION OF COASTAL RESOURCES WASTE PROCESSING FACILITY

George Aronson reported that he has not yet received any additional changes to the current schedule, and that Coastal Resources' ("Coastal") administrative process for invoicing of tons to all communities is underway. This effort involves the coordination with the backup facility during Phase 1. The tonnage data will be relayed to Coastal and then invoices will be generated and sent out to communities. Coastal has received helpful advice from PERC regarding how communities have been billed in the past.

As for construction, the weather has been more favorable so installation of roof and side panels is ongoing. The scales will be installed in July for an opening in August/September. That schedule has been verified by Cianbro, general contractor at the site.

Mr. Aronson reported that there was a payment issue between one of Coastal's contractors and subcontractors related to installation of the roof panels. The subcontractor sent a

notice of lien which was brought to the attention of Coastal, but there is a lien response plan in place, and this issue is being managed.

Mr. Aronson referenced the liquidated damages clause in the Master Waste Supply Agreement, indicating that Coastal has accepted responsibility for damages for the delay of operations past April 1st. There is a question of whether or not payment needs to be made every day, or accrued and paid in installments. It was clarified that the liquidated damages may be paid or offset against payments on a reasonable periodic schedule rather than daily.

Angus Jennings, Town Manager of Hampden, reported on a current issue with the box culvert around the pump station, which is pumping water onto the road at the manhole locations. CES, Inc has recommended a course of action to address this issue and the Town of Hampden has that plan under peer review with Woodard & Curran.

RATIFICATION OF REDEMPTION AGREEMENT BETWEEN THE PRC AND PERC, LP PURSUANT TO WHICH THE LIMITED PARTNERSHIP INTERESTS OF MRC EQUITY CHARTER MEMBERS WERE REDEEMED BY PERC, LP.

Dan McKay referenced the discussion at the last board meeting regarding the process for redeeming partnership interests put back to PERC, noting that PERC desired to enter into an agreement to provide for redemption pursuant to the provisions of the PERC Partnership Agreement. Among other things this agreement was designed to allow PERC to make a single payment of the aggregate put price to the MRC, and the MRC would then distribute the funds to the various municipalities. Based on these discussions, Mr. McKay asked the board to ratify the Redemption Agreement with PERC as executed, and there being no further discussion, the following resolution was adopted unanimously:

RESOLVED: That the execution and delivery on behalf of the MRC by its Executive Director of a Redemption Agreement between the MRC and Penobscot Energy Recovery Company, Limited Partnership ("PERC") dated as of February 28, 2018, pursuant to which PERC has redeemed the limited partnership interests of those Equity Charter

Members that exercised the "put" options described in Section 9.3 of the Sixth Amended and Restated Agreement of Limited Partnership of Penobscot Energy Recovery Company, Limited Partnership, hereby is ratified and confirmed.

CONSIDERATION OF ARRANGEMENTS FOR HOLDING DEPARTING MUNICIPALITIES' FUNDS PENDING COMPLETION OF AUDIT

Karen Fussell reported that although most members are aware of where they need to deliver waste beginning next week, some members are still not aware of the arrangements, and Greg Louder noted the need to let members know by the end of the day tomorrow. George Aronson noted that the MRC is currently setting up a bank account to escrow funds to be distributed to Departing Municipalities once the final amounts are approved and the audit is complete. MRC staff has determined that despite the fee charged by Peoples United Bank for the account, the returns earned will be large enough to pay for the fee for this effort. There being no further discussion, the following resolution was adopted unanimously:

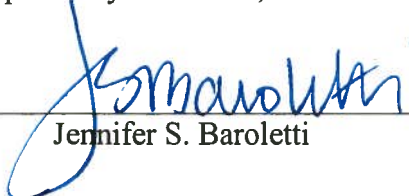
RESOLVED: That the MRC establish such arrangements for the holding of funds to be distributed to Departing Municipalities as may be approved by the President or the Treasurer including, but not limited to, the establishment of such bank or investment accounts as such officer may deem appropriate, and for that purpose, the standard resolutions of the financial institution(s) holding such accounts hereby are adopted in full.

OTHER BUSINESS

Jim Guerra's departure from the MRC Board was noted, and board members thanked him for his work over the years and extended their well wishes for the future.

There being no further business to come before the Board, the meeting adjourned at 11:44 a.m.

Respectively submitted,



Jennifer S. Baroletti

Dated: April 25, 2018