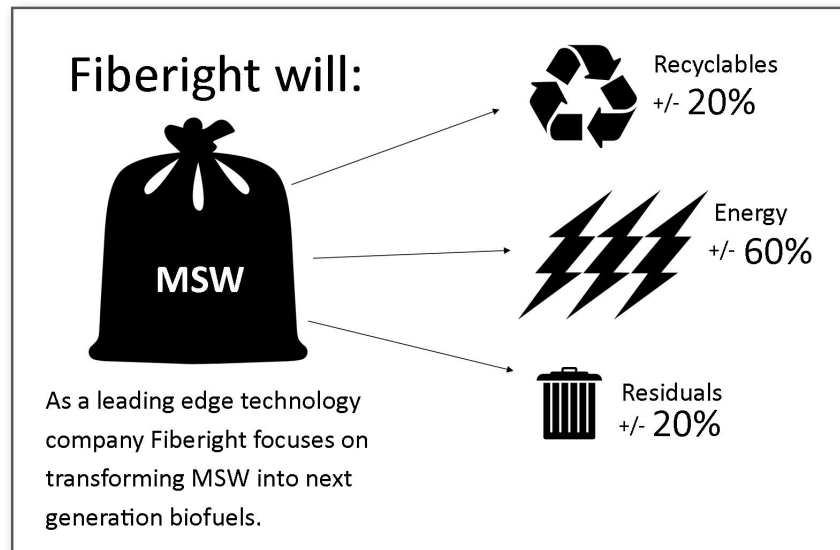


## Fiberight Meets Its Feasibility Milestone

In order to protect the interest of MRC members, a Feasibility Milestone of the project was built into the Development Agreement between Fiberight and MRC.

On October 2, MRC's consultant, George Aronson of Commonwealth Resource Management Corporation, provided an independent assessment regarding the Fiberight's project which included review of the economic feasibility of the project, facility design plans, estimates of capital costs and operating expenses, and other supporting information. George reported that the Feasibility Milestone was achieved by Fiberight and the MRC Board passed a resolution to acknowledge that Fiberight had met the project Feasibility Milestone.



## ABOUT THE MRC

The Municipal Review Committee (MRC) is a non-profit association of Maine communities led by an elected, volunteer board of directors. For more than 25 years, the member communities of the Municipal Review Committee (MRC), now numbering more than 180 cities and towns, have used the PERC waste-to-energy incinerator in Orrington to process their municipal solid waste (MSW). After 2018, the contracts that made the PERC relationship work will expire and PERC will no longer be an economically viable option. Development of a new solution is underway.

Visit [www.mrcmaine.org](http://www.mrcmaine.org) or contact Greg Louder at 207-664-1700 or [glouder@mrcmaine.org](mailto:glouder@mrcmaine.org) to learn more about the Municipal Review Committee and to add your name to our e-mail contact list.

## Agreement with Waste Management for Residuals

The MRC Board of Directors approved a 10 year contract with Waste Management, Inc., to accept residual waste from the new recycling and processing facility in Hampden. Of the anticipated 150,000 to 200,000 tons of MSW that will be sent to the new facility each year, approximately 20%, 30,000 to 40,000 tons of residuals will need to go to a landfill. The agreement will allow the Fiberight facility to deliver all processing residuals to Waste Management's Crossroads Disposal Facility in Norridgewock for a year one tip of \$47.00 per ton. Additionally, at a year one tip of \$62.00 per ton, the agreement provides for the Crossroads Facility to serve as a backup should there be any service gaps in the startup and operation of the Hampden facility.



# NEWSLETTER

Municipal Review Committee | 395 State Street | Ellsworth, ME 04605 | [www.MRCMaine.org](http://www.MRCMaine.org)

ISSUE 1.4 | October 2015

## Draft Agreements Mailed: Your Input Appreciated!

By now, member communities should have received a mailing from MRC with the draft agreements for MSW management starting in 2018. The MRC Board wanted to share the preliminary draft versions in order to receive comments from members before the agreements are finalized and mailed to members in December. The final deadline for providing feedback on the proposals is November 13, 2015.

Three legal documents will govern the arrangement between MRC Members, MRC, and Fiberight.

**Joinder Agreements** These agreements are between the MRC and each community that opts to participate. The draft agreement references the legal agreements MRC will have with Fiberight. **MRC is seeking local legislative approval of members between January – May 2016.**

**Master Waste Supply Agreement and Site Lease** These agreements are between MRC and Fiberight. Joining Member municipalities, in cooperation with the MRC, are to provide a minimum of 150,000 tons of MSW annually and will govern Fiberight's right to build on and use MRC owned land.

## MRC: Covering Your Waste Disposal Needs in the Past & in the Future

For more than 25 years, the Municipal Review Committee (MRC) has fulfilled its mission to ensure affordable, long term, and environmentally sound disposal of municipal solid waste (MSW).

*Continued on pg. 2*

### UPCOMING MEETINGS

**October 28 - 10:00 AM**  
MRC Board Meeting  
Lincoln Event Center  
8 Prince St., Lincoln

**October 28 - 7:00 PM**  
Informational Meeting  
Ellsworth City Hall  
1 City Hall Plaza, Ellsworth

**November 5 - 6:00 PM**  
Informational Meeting  
Orono Town Office  
58 Main Street, Orono

**December 16 - 3:00 PM**  
MRC Annual Meeting  
Cross Center  
515 Main Street, Bangor



### JOIN OUR EMAIL LIST & FOLLOW US ON SOCIAL MEDIA

MRC regularly sends updates and announcements by email to those who have signed up for our alerts. We also have active Facebook and Twitter accounts, and we've posted informative videos from recent meetings on our YouTube account.

All of these are accessible from the homepage of our website, [www.mrcmaine.org](http://www.mrcmaine.org)

Continued from pg. 1

Careful MRC management of revenues realized by our existing processing facility partnership has resulted in reserve funds totaling over \$20 million. This result will provide for the continuance of our mission well beyond 2018 much like it has in the past, by managing communities' waste disposal in the best interest of you, our member communities.

Our approach is an integrated system that keeps the oversight of MSW collection and recycling programs in the control of local municipalities. Communities have the option to continue or expand their recycling programs and will send their MSW to the Fiberright facility in Hampden, which will capture recyclables missed at the local level and process the remaining waste into high value product. MRC has also negotiated a 10 year arrangement with Waste Management's Crossroads Disposal Facility in Norridgewock to accept residuals from the Fiberright facility and to serve as a backup should there be any service gaps in the April 1, 2018 startup and/or ongoing operation of the Hampden processing facility.

Our plan has the potential to transform the solid waste industry in our region by increasing the capture of recyclables and processing MSW, including organics, into high value product, all while operating at an economic scale that fits our region and limiting the financial risk to MRC members. Whether you're a small town with a limited waste diversion program or a city with a robust recycling program and Pay-As-You-Throw waste reduction incentives, MRC's plan is to provide you with an affordable waste disposal option now and into the future.

## TIMELINE

### October - November 2015

- Draft contracts mailed to member communities for review
- MRC works with member communities to review and receive feedback on contract key provisions and terms

### December 2015

- MRC Annual Meeting with presentation on its post-2018 solution.
- Board finalizes Site Lease, Master Waste Supply and municipal Joinder Agreements and sends to members

### January - May 2016

- Communities hold formal votes. MRC will work with member communities to place the agreements before the local legislative body (town/city council meetings and annual town meetings) for approval

### May 2016

- Achieve financial close of the transaction – 150,000 ton minimum reached

### June 2016

- \$5M Construction Funds released for site road and infrastructure, construction complete sufficient to accommodate site development and facility construction

### October - November 2016

- Fiberright commences sitework and facility construction

### 2017-2018

- Facility constructed/equipment installed
- Performance Test conducted to confirm facility is ready for commercial operation

### April 1, 2018

- Facility begins accepting MSW from the Joining Municipalities



MRC Executive Director Greg Louder with board members Cathy Conlow, Ken Fletcher and Barbara Veilleaux attended the 2015 MMA Conference in Augusta to explain the new MSW disposal plan being offered to municipalities.

## Efficient and Effective Organics Management

As a part of the decision making process to move forward with Fiberright, the MRC Board considered that the process offers a much higher rate of conversion of organic materials to high-value and readily marketable products than either just conventional anaerobic digestion alone or large-scale composting. Food scraps and other organic materials in the MSW will be treated through hydrolysis and an accelerated anaerobic digestion to produce bio-methane gas.

Towns that have existing programs for composting of food, yard and/or agricultural wastes should continue to operate and enhance those programs. Given that the Fiberright process capitalizes on the organic content of the MSW stream, the contracts will prohibit Members from starting new programs to directing organic materials to facilities that would be competitors with Fiberright. But, of course, any resident could continue or start their own back yard composting.

We are excited by the Fiberright process because not only will it overcome the lack of household and commercial organics utilization, or at best, a percentage, it will produce a high-value and renewable product capturing virtually 100% of the organic fraction.

## What About Recycling?

Local flexibility in regard to recycling is a key component of the arrangement with Fiberright given that recycling programs widely vary across MRC's membership. In fact, there are no set requirements regarding recycling in the agreements, giving municipalities the control to manage recycling the way they desire and are able.

**Keep or Expand Your Program** MRC negotiated with Fiberright in order to allow Towns to continue or expand their recycling programs. In fact, the Fiberright facility is being designed with the specific understanding that many communities will choose to expand their program. Recyclables collected in single-sort programs can be sent directly to the facility in Hampden and will be processed into marketable materials. Fiberright will provide this service on a cost-competitive basis well below the \$70 MSW tip fee to towns that wish to continue their single-sort recycling collection programs.

**Enhance Diversion of Recyclables** The Fiberright facility will include a front end processing component that removes remaining recyclables in the MSW that were missed at the local level. This includes hard recyclables like steel cans, other non-ferrous metals, and various grades of plastic and recoverable corrugated cardboard. Unlike contemporary sorting facilities, these materials will be cleaned before being baled and sold. The Fiberright facility will recover material from the waste stream that is not being recovered by even the most efficient local recycling programs and provide a base level of recycling to communities that do not offer programs to their citizens.

### Towns can continue or add pay-as-you-throw (PAYT) programs

The MRC agreements for the Fiberright facility will not impose requirements to deliver a Guaranteed Annual Tonnage (GAT) of MSW on individual towns, and towns will NOT be liable for penalties for failure to deliver any specific amount of MSW. Thus, towns can continue existing PAYT programs, or add new PAYT programs, without fear of being penalized for delivery shortfalls. The MRC agreements will require that all MSW collected through arrangements controlled by the towns be delivered to the Fiberright facility on an exclusive basis rather than be diverted to landfills or other disposal facilities.