

MUNICIPAL REVIEW COMMITTEE, INC.
BOARD OF DIRECTORS

A special meeting of the Board of Directors of Municipal Review Committee, Inc. was held on Wednesday, September 25, 2019, at 1:00 p.m. at Machias Savings Bank, 581 Wilson Street, Brewer, Maine. In attendance were the following:

Directors:

Karen Fussell, City of Brewer
Catherine Conlow, City of Bangor
Tony Smith, Town of Mount Desert
Ralph Saucier, Town of Millinocket
Irene Belanger, Town of China
Dana Wrigley, Sr., Town of Oakland
Kevin Howell, Town of Carmel
Robert Butler, Town of Waldoboro

Staff:

Michael Carroll, MRC Executive Director

Consultants:

George Aronson, CRMC (by phone)
Daniel G. McKay, Eaton Peabody
Jon Pottle, Eaton Peabody
Jessamine Pottle, CES, Inc.

Guests:

Shelby Wright, Fiberight

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

President Fussell convened the meeting at 1:00 p.m.

APPROVAL OF AGENDA

President Fussell proposed that the agenda be amended to include a public comment item at the end of the agenda for this meeting and all subsequent meetings, and then asked for a motion to accept the agenda with this minor amendment. Upon motion duly made and seconded it was unanimously:

VOTED: That the agenda hereby is accepted as amended.

CONSIDERATION OF MINUTES OF AUGUST 28, 2019 SPECIAL MEETING OF THE MRC BOARD OF DIRECTORS

The Board considered approval of the minutes of the August 28, 2019 special meeting of the Board of Directors. There being no changes to the draft minutes as presented, upon motion duly made and seconded, it was unanimously:

VOTED: That the minutes of the August 28, 2019 quarterly meeting of the Board of Directors hereby are approved in the form presented to the meeting. (Butler abstaining).

TREASURER'S REPORT INCLUDING CONSIDERATION OF THE FINANCIAL STATEMENTS AND BILLS PAYABLE

In Sophie Wilson's absence, Mike Carroll presented bills payable. There was discussion of the need to reimburse bridge waste transportation expenses for certain members aggregating \$20,816.53. Following brief discussion, it was unanimously:

VOTED: That bridge waste transportation costs as presented to the meeting in the aggregate amount of \$20,816.53 be reimbursed to the appropriate member communities, and that funds in that amount be transferred from the Tip Fee Stabilization Account or the Custody Account to the Operating Account for that purpose.

Mr. Carroll presented operating bills payable in the aggregate amount of \$26,785.82 and reviewed line items in summary form.

After a brief discussion, and upon motion duly made and seconded, it was unanimously:

VOTED: That operating bills payable of \$26,785.82 as presented to the Board at this meeting, hereby are approved for payment.

President Fussell noted that as the commercial operation date approaches, the board previously agreed to send out a member notice regarding the two month period in which the board will consider transportation claims for this interim period. Jessie Pottle noted that the constant contact in July did include this information, but it was agreed that a stand-alone communication would be optimal.

CONSIDERATION OF MRC INVESTMENT POLICY

George Aronson presented a final draft of the investment policy, noting that the draft was conditionally approved at the last board meeting, subject to incorporating some minor comments requesting the reordering of some provisions in the policy. Those comments having been incorporated, a motion was duly made and seconded to approve the final version of the investment policy, and a discussion ensued. Bob Butler raised concerns about negative interest rates and suggested that the MRC consider adding guidelines to the policy should that situation arise, as well as revisit the investment vehicles. George Aronson suggested that the board seek guidance from its new investment advisor in this regard once that advisor has been selected. There being no further discussion, it was unanimously:

VOTED: That the revised Investment Policy hereby is approved as presented to the meeting.

MRC FINANCIAL SERVICES RFP UPDATE

Mike Carroll provided an update on the status of the RFP for banking services, reporting that seven responses were received. Mike is in the process of reviewing the responses to narrow down the candidates, and has sent the materials to each of George Aronson and Sophie Wilson for their contemporaneous review. After discussion, the board agreed that George, Sophie, and Mike will

prepare a memo of recommendation and a special meeting by conference telephone will be scheduled for the second week in October for consideration of the recommendation by the full board.

EXECUTIVE DIRECTOR REPORT

Executive Director Mike Carroll reported continuously increasing tonnage is being delivered to Coastal from MRC communities. Despite the plant being down for four full days due to the previously reported equipment failure, to date in September the MRC has already exceeded August's tonnage by more than 50%. Bridge reimbursement payments for August were down about 22% from the previous month.

David Burns of the Maine DEP has confirmed that Coastal has submitted all paperwork for the DEP to make a final beneficial use determination, and he will make sure that everything moves forward. The DEP has verbally approved the mix to Scott Alley, General Manager at Coastal, and now Waste Management will submit a formal letter to DEP for approval.

Coastal has scheduled an outage from October 4-7 to make several modifications to the wet end of the plant in order to improve the throughput and performance of the pulper. There is limited work to be done to the MRF.

The acceptance test is expected to be scheduled during the week of October 21st. Coastal will bale all materials and clear the floor to begin the testing on October 22nd.

The recent tours at Coastal have gone very well, specifically the Maine Municipal Association tour which included several individuals involved in development of the repackaging bill. Senator Collins' tour also went well, after which she delivered a positive television interview regarding the Coastal technology and its economic impact in the state of Maine. Coastal has received some positive press lately, specifically the flag program that Shelby Wright has arranged.

The MRC audit has been completed and Mike expects to receive the results next week.

Mike has continued to schedule visits with member communities and attend town meetings to introduce himself and those interactions continue to be positively received.

Mike provided a brief update on the road repair, reporting that the drains in the GCL have all been installed. The contractor still needs to grind and pave the trenches, but the drain at its lowest spot is already flowing water which is a positive sign. Mike has inquired about an estimated completion date for that project.

Mike presented a draft ballot for the annual meeting election of directors, noting minor changes and requesting any comments as soon as possible so that this ballot can be sent out to members next week in order to meet the timeframe set out in the bylaws. The process and timeline was briefly discussed, and it was noted that the ballot will be sent out by mail, constant contact, and also made available on the MRC website. A discussion ensued regarding updating the process of voting to better utilize technology.

In response to a question about the audit, George Aronson confirmed that the MRC expects to receive a clean opinion to be accepted by the MRC Board at the October meeting.

George Aronson noted the status of the bridge waste reserve fund. To date, a total of approximately \$775,000 has been paid out, including payments approved at this meeting, Approximately \$225,000 remains in the reserve which should be more than sufficient based on current rates.

TECHNICAL ADVISOR REPORT

George Aronson reported that the protocol for the performance test has been reviewed and the parties have reached an agreement on almost all points. The forecasted start date is October 22nd. It is a three day test, and an extension may be needed as there are a couple of conditions to be met before the test can start, specifically that Crossroads must have accepted at least one load of daily cover, and the pulp sampling plan must be accepted by DEP, or Coastal must have received reasonable assurance that it will be accepted with minimal changes. Waste Management has accepted a load of daily cover, and DEP has given verbal approval that, with some mixing of materials, the plan will be accepted. Written approval from DEP is expected to be forthcoming. George reported

that the proposed schedule is plausible, and a general discussion ensued regarding the timeframe for finalizing the protocol.

COASTAL FACILITY COMMISSIONING REPORT

Shelby Wright of Fiberright provided an update on the Coastal Facility, reporting that 300-350 tons per day are being accepted Monday-Saturday at the facility. Recycling material is being accepted on a nonstop basis, and the MRF continues to be updated for maintenance and performance. Shelby noted the planned outage scheduled for October 4-7 to perform updates on the wet end of the facility. Pulp is being processed and stored on site while DEP is working on accepting materials as alternative daily cover as a stop gap while Coastal waits for approval of the beneficial use permits for the test burns. The fines bin is now operational. A brief discussion ensued regarding the creation of plastic briquettes specifically engineered for a cleaner burn. These briquettes are currently being sent to energy plants throughout the state, and Shelby confirmed that users must possess a beneficial use determination in order to accept those end products.

Shelby addressed Coastal's e-billing process, noting that only one community has opted out of the new system. Beginning in October, all customers will receive an email with the invoice and copies of all waste slips.

Shelby reported that she is planning to attend the upcoming MMA conference. She has been inundated with requests to tour the facility, but tours are currently limited to board members, city officials, etc. and not yet open to the general public. An educational curriculum is being developed, and she has speaking engagements scheduled at schools and community organizations. A brochure will be coming out soon with additional information.

Shelby reported that she is continuing to work with Mike on the issue of acceptable waste and is currently drafting a proposal that includes best practices, fee structures, and a plan for implementation.

Lastly, Shelby provided an update on LD 1431, the resolution to produce legislation approved during the last session. DEP has prepared a proposal to require producers to pay for the disposal of recycling and non-recyclable materials. Various stakeholder meetings have been held, and Shelby shared that it is important to attend these meetings to remind all parties about Coastal's technology, and that production of alternate materials from MSW should also be considered recycling. Shelby is working with Casella on proposed language to mitigate the effects on the industry, specifically relating to recognition of technological advancements.

LEGISLATIVE REPORT

President Fussell noted the importance of having the MRC make comments on LD 1431, and encouraging member communities to also reach out in this regard. Mike Carroll reported that a representative from Preti Flaherty did attend the recent stakeholder meeting in Portland, and he will coordinate with Dan Walker next week to prepare comments. It was noted that this resolution was written without consideration being given to Coastal's waste processing technology. An extensive discussion ensued regarding the proposed language of the legislation.

COMMUNICATIONS COMMITTEE UPDATE

Mike briefly reported on plans for the MRC's presence at the upcoming MMA meeting in Bangor, specifically noting that feedback has been incorporated into the printouts and brochures. Mike requested that board members attend the meeting and help provide coverage for the booth if they are able.

WASTE FLOW COMMITTEE UPDATE

Mike reported that he had a productive meeting with the Waste Flow Committee on Pleasant River Solid Waste Disposal District issues and expects the remaining outstanding issues to be resolved in the next couple of weeks, now that he has committee approval to proceed. Mike continues to work on bulky items which currently represent approximately 2-3% of the delivered tonnage. Additional education is needed for member communities regarding the disposal of these

bulky items, and after discussion it was agreed that the Waste Flow Committee will continue to work toward creating a solution for bulky items not accepted by Coastal. President Fussell suggested that the Committee consider options for a solution with other providers, while keeping in mind our contractual commitments to Coastal.

SCHEDULE OF UPCOMING MEETING DATES

The next Board meeting is scheduled for October 23rd at 10:00 a.m. at Machias Savings Bank in Brewer. The Finance Committee meeting will be held at 9:00 a.m. prior to the board meeting. Based on discussions earlier in the meeting, the Board anticipates scheduling a special meeting by conference call in mid-October to consider recommendations on the RFP for financial services.

PUBLIC COMMENTS

President Fussell asked for comments from the public. There were none.

EXECUTIVE SESSION

The executive session listed on the agenda was not held.

There being no further business to come before the Board, the meeting adjourned at 2:51 p.m.

Respectively submitted,


Jennifer S. Baroletti

Dated: October 23, 2019