

## **MINUTES**

### **MUNICIPAL REVIEW COMMITTEE, INC.**

#### **BOARD OF DIRECTORS**

A meeting of the Board of Directors of Municipal Review Committee, Inc. was held on Wednesday, April 28, 2021 at 10:00 a.m. in an online format via Zoom. In attendance were the following:

#### **Directors:**

Sophie Wilson, Town of Orono  
Karen Fussell, City of Brewer  
Kevin Howell, Town of Carmel  
Tony Smith, Town of Mount Desert

Dana Wrigley, Sr., Town of Oakland  
Robert Butler, Town of Waldoboro  
Catherine Conlow, City of Bangor  
Melissa Doane, Town of Bradley

#### **Staff:**

Michael Carroll, MRC Executive Director

#### **Consultants:**

George Aronson, CRMC  
Jon Pottle, Eaton Peabody

#### **Guests:**

Robert Van Naarden, CEO of Delta Thermo Energy, Inc. (DTE)

Joelle Ingalls kept the minutes of the meeting and President Fussell presided.

President Fussell convened the meeting at 10:00 a.m.

## **APPROVAL OF AGENDA**

After President Fussell introduced the Board and guests in attendance, the first order of business was approval of the agenda. The agenda was accepted as presented with no changes.

**PRESENTATION ON SALE AND REOPENING OF HAMDEN FACILITY**

Michael Carroll began the presentation with an overview of the MRC's anticipated role moving forward and noted the MRC will continue to serve as Landlord, waste permit holder, and waste supply contract assignor. Mr. Carroll reports the Delta Thermo Energy (DTE) operation plan must be approved by the MRC and a representative will attend all monthly stakeholder meetings with DTE. MRC will assign to DTE contracts to which MRC is a party, and there will be no increase in tipping fees. The Bondholders' Trustee, the MRC, and DTE will be working together to address debts at closing. This includes all MRC costs and expenses to date.

Three Fundamental Matters are being considered which require a notice to Members. These Fundamental Matters are items within the Master Waste Supply Agreement and Site Lease that one or both parties have requested a change to during negotiations. Notices will be sent to members on the following matters:

1. Option for DTE to purchase the land in Hampden, subject to conditions, including successful completion of 9 months of stable operations, which period must include the peak months of July and August;
2. Rebate structure would be change from performance based to a specific dollar amount per ton being paid out by DTE on a regular basis; and
3. DTE and their lender have asked to reset clock on the Master Waste Supply Agreement and Site Lease as we are already into the current term.

To complete the process, Fundamental Matter Notices will be sent out this week to members, DTE's financier will need to sign off on all formal Agreements, the Court will appoint a Receiver to handle the sale of the facility, and a closing date will be scheduled.

Mr. Carroll then introduced Robert Van Naarden, CEO of Delta Thermo Energy, Inc. (DTE) who continued the presentation with an update on the activities of DTE during the sale process. Mr. Van Naarden reviewed the steps being completed by DTE to work toward closing. The facility has been maintained to avoid damage to the facility through the winter; due diligence has been nearly completed; several site visits have been conducted in order to review and become familiar with all equipment in the plant; interviews with former employees who wish to return to working at the plant when operations resume are being conducted; and a startup plan has been drafted with plans for the upcoming 12 months.

Mr. Van Naarden noted his desire to form a Citizen's Advisory Board to hear concerns and comments from members in addition to the monthly meetings with the MRC. An overview was provided regarding the planned employment opportunities and employee benefits. The plant is expected to be operational 24 hours a day with 12 hour and 8 hour shifts depending on job functions.

At the completion of the presentation questions were answered from participants. In response to questions the Fundamental Matters were again reviewed and a repeated emphasis was placed on the fact that the plant will resume operations under the current permits and no operations will be conducted outside these permits and licensing. Mr. Van Naarden answered questions regarding ownership of DTE and clarified that no money will be requested from MRC in order to return the plant to operations. Jon Pottle answered questions on Receivership and multiple questions were received that were unable to be answered due to the ongoing negotiations.

**CONSIDERATION OF MINUTES OF SPECIAL MEETINGS OF THE BOARD OF DIRECTORS ON FEBRUARY 17, 2021, MARCH 9, 17, 23 AND 25, 2021; AND THE QUARTERLY MEETING JANUARY 27, 2021**

The next order of business to come before the Board was approval of the minutes of Special Meetings on February 17, 2021, March 9, 17, 23 and 25, 2021; and the Quarterly Meeting January 27, 2021. President Fussell noted the need for edit of dates referenced in the Executive Director's Report in the minutes of January 27, 2021. With these changes requested and upon motion duly made and seconded, it was unanimously:

**VOTED BY ROLL CALL:** That the minutes of Special Meetings on February 17, 2021, March 9, 17, 23 and 25, 2021; and the Quarterly Meeting January 27, 2021, hereby are approved with the noted changes.

**ASSET MANAGEMENT REPORT - CUSTODY ACCOUNT, TIP FEE & OPERATING BUDGET STABILIZATION FUNDS, CASH COLLATERAL ACCOUNT, RESERVE FUND UPDATE, FIRST QUARTER JOINING MEMBER CASH DISTRIBUTIONS**

George Aronson presented the Asset Management Report, noting that December 31, 2020 was the end of the auditing period so all the numbers are subject to review. Mr. Aronson reported that the names of some accounts have been updated to better represent their purpose and proposed three recommendations:

1. To distribute \$126,636.89 to Joining Members to reduce their effective net disposal costs;
2. To transfer \$125,000.00 from the Target Value Reserve Fund (held within the Tip Fee Stabilization Fund) to the Development and Distribution Account (formerly known as the Custody Account) to fund the distribution referenced in Item 1 above; and
3. Transfer \$100,000.00 from the Tip Fee Stabilization Fund to the Contingency Account (formerly known as the Operating Budget Stabilization Fund) to be prepared to meet cash flow needs in the upcoming quarter.

As of April 1, 2021, the Development and Distribution Account (formerly known as the Custody Account) contained a balance of \$28,876.23 held at First National Bank. The Bangor

Savings Bank Custody now has a zero balance as all funds have been transferred to First National Bank. As of the same date, the balance of the Tip Fee Stabilization Fund was \$5,246,956.41, and the balance of the Contingency Account (formerly the Operating Budget Stabilization Account) balance was \$286,756.15. The Cash Collateral Agency Account now holds a balance of \$1,507,934.56.

Mr. Aronson noted that as of the end of the quarter the MRC had a Net Position for the benefit of Joining Members of \$14,983,486.22.

There being no further discussion, upon motion made and duly seconded, it was unanimously:

**VOTED BY ROLL CALL:** That (i) the MRC hereby is authorized and directed to distribute the amount of \$126,636.89 ratably to Joining Members to reduce their effective net disposal costs; transfer \$125,000.00 from the Target Value Reserve Fund (held within the Tip Fee Stabilization Fund) to the Development and Distribution Account (formerly known as the Custody Account) to fund the distribution in the first recommendation; transfer \$125,000.00 from the Target Value Reserve Fund (held within the Tip Fee Stabilization Fund) to the Development and Distribution Account (formerly known as the Custody Account) to meet cash flow needs in the upcoming quarter related to payment of disposal fees for bypassed waste from Joining Members in advance of collection of the corresponding tip fee payments; and (ii) the Executive Director and Treasurer hereby are authorized to take such action, or cause such action to be taken, as may be necessary or appropriate to effectuate such transfers and payments.

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

Sophie Wilson presented bills payable totaling \$49,214.98 to the Board for consideration. Ms. Wilson reported that 33% of the budgeted annual revenue has been collected to date and approximately 29% of the expected expenditures. There are no concerns at this time and the budget is on track. There being no further discussion, and upon motion duly made and seconded, it was unanimously:

**VOTED BY ROLL CALL:** That bills payable of \$49,214.98 as presented to the Board at this meeting hereby are approved for payment.

**REVIEW OF EXTENSION LETTER RE: INTEGRAL CAPABILITIES FOR  
PERFORMANCE TEST PROTOCOL**

Attorney Pottle noted the performance test for the CRM facility included conditions regarding the integral capabilities for the performance test protocol that were initially required to be addressed by December 31, 2019. This deadline has been extended multiple times and, due to the current bypass scenario, a further extension is recommended. Attorney Pottle proposed an extension to July 30, 2021, with the understanding that the MRC may choose to terminate the extension with notice consistent with the most recent extension. Attorney Pottle noted that conditions regarding the integral capabilities of the performance test protocol related to key agreements with the CRM facility that, if triggered, can result in termination of agreements if not fulfilled.

Upon motion duly made and seconded, it was unanimously:

**VOTED BY ROLL CALL:** That the Executive Director is hereby authorized to execute and deliver an additional extension letter regarding integral capabilities for the Performance Test Protocol, to be further extended to July 30, 2021 with provisions for MRC to terminate the extension with ten business days' notice.

**EXECUTIVE DIRECTOR AND COMMITTEE REPORTS**

Mr. Carroll reported David Burns at the Department of Environmental Protection will retire in May 2021 and Susanne Miller will take over. Lou Pizzuti will also be moving on from his position as Landfill Manager at Juniper Ridge; no predecessor has been announced.

Mr. Carroll also reported that Penobscot Energy Recovery Company (PERC) is currently under maintenance with only one boiler operating and is not producing any electricity, the Waste Report was filed with DEP in February on time and without any issues or concerns, and there is little to report for Committee activity. There continue to be a number of bills and committees in

Augusta of relevance and MRC weighs in when asked. The Waste Expo has invited MRC to sit on a panel in May 2021, and George Aronson will attend to represent the MRC.

**PUBLIC COMMENT**


Having already accepted public comment and questions at the conclusion of the presentation, only one comment was made in this second opportunity. The commenter noted only that they were not in favor of forming a Community Advisory Board.

**SCHEDULE OF UPCOMING MEETING DATES**

The next quarterly Board Meeting is scheduled for July 28, 2021 at 10 a.m. via Zoom.

There being no further business, at 11:23 a.m. a motion was made, duly seconded, and approved to adjourn the meeting.

Respectively submitted,

DocuSigned by:  
  
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Joelle A. Ingalls

8/5/2021  
Dated: \_\_\_\_\_