



# Annual Meeting

December 6, 2023

# WELCOME

Karen Fussell, MRC President

Welcome

Board Member  
Business

Election Results

Treasurer's  
Report

Extended  
Lookback

MRC Role

Benefits of MRC  
Associate  
Membership

2024 Goals

Maine Municipal  
Association

Innovative  
Resource  
Recovery

MRC Financial  
Position

Public  
Comments

# Board Member Business

Karen Fussell, MRC President

- Approval of Agenda
- Consideration of Minutes of November 17 Special Board of Directors Meeting
- Board Member Business

# Election

Karen Fussell, MRC President

- MRC Board Members
- Election Process
- Nominations



# Election Results

Karen Fussell, MRC President

- Melissa Doane, Town of Bradley Town Manager, Received 51%
- Sophia Wilson, Town of Orono Town Manager, Received 22%
- Kevin Howell, Town of Carmel Town Manager, Received 16%
- Paula Scott, Town of Hampden Town Manager, Received 11%

# Treasurer's Annual Report

Sophie Wilson, MRC Treasurer

- Cash Balances on Account
  - Operating Account \$123,000
  - Contingency Account \$1,012,000
  - Distribution & Development Account \$37,000
  - Wealth Management / Investments \$1,426,000
- 2024 Draft Budget Overview & Adoption Process
- 2024 Member Tip Fee CPI adjustment – coming December 14
  - <https://www.bls.gov/news.release/pdf/cpi.pdf>

# 2024 Draft Budget – Revenue

MRC Proposed FY 2024 Budget			
Revenue	Proposed FY 2024 Budget	Approved FY 2023 Budget	FY 2024 Versus 2023
Municipal Dues	\$164,000.00	\$164,545.00	\$ (545.00)
Annual Lease Payments	\$154,189.00	\$77,095.00	\$77,094.00
Use of Fund Balance	\$ -	\$185,000.00	\$(185,000.00)
Revenue Transfer to Secure CRM	\$ -	\$25,000.00	\$(25,000.00)
MRC Mgmt Service Fee	\$349,992.00	\$175,000.00	\$174,992.00
MWS Utilities & Misc. Reimbursement	\$80,000.00	\$40,000.00	\$40,000.00
Grant Funds for Staffing	\$20,000.00	\$22,000.00	\$(2,000.00)
Miscellaneous	\$2,500.00	\$400.00	\$2,100.00
<b>TOTAL REVENUES</b>	<b>\$770,681.00</b>	<b>\$689,040.00</b>	<b>\$81,641.00</b>

No Funds From Reserves Needed to Support FY2024 Budget

Utilities Are Being Reimbursed In Lease Payments To The MRC

# 2024 Draft Budget – Expenses

Expenses	Proposed FY 2024 Budget	Approved FY 2023 Budget	FY 2024 Versus 2023
Administration	\$296,681.00	\$212,240.00	\$84,441.00
Financial Services	\$24,000.00	\$38,500.00	\$(14,500.00)
Technical Consulting	\$181,500.00	\$87,000.00	\$94,500.00
Legal Services	\$50,000.00	\$73,000.00	\$(23,000.00)
Insurance	\$6,500.00	\$6,500.00	\$ -
Miscellaneous	\$12,000.00	\$4,800.00	\$7,200.00
Contingency	\$40,000.00	\$ -	\$40,000.00
Expense to Secure CRM	\$ -	\$155,000.00	\$(155,000.00)
MWS Utilities & Misc. Reimbursement	\$80,000.00	\$40,000.00	\$40,000.00
Temp Services and Staffing	\$5,000.00	\$22,000.00	\$(17,000.00)
Payment to Wealth Management Act	\$75,000.00	\$50,000.00	\$25,000.00
<b>TOTAL EXPENSES</b>	<b>\$770,681.00</b>	<b>\$689,040.00</b>	<b>\$81,641.00</b>

Adding Staff And Benefits

Robust Marketing, Branding And Outreach Campaign

Payback to MRC Investment Accounts



# Extended Lookback

Michael Carroll, MRC Executive Director

- Review of MRC Taking Ownership
- Partnership with Innovative Resource Recovery
- DEP Comments: Waste Management Plan & EPR
- Conferences and Member Visits
  - MMA
  - MRRA
  - Official visits

# MRC's Active Role

- 10% MRC ownership
- MWS Facility Management Role
- Long term waste Management Fee
- Overseeing MSW logistics for delivery and billing



# 2024 Goals

- Localized Operations Team Working Toward Restart
- Marketing & Communications tools for education and outreach
- Membership Service Survey
- EPR Solutions
- Member Visits
- Communication with Regulators



# Benefits of MRC Associate Membership

- Associate Members Strength in Numbers
- Representation
- Long term contracts
- Access to supplemental services
- Compliance reporting and EPR assistance
- Education and outreach



# Cathy Conlow, MMA Executive Director



**MAINE  
MUNICIPAL  
ASSOCIATION**

# Innovative Resource Recovery

Innovative is focused on establishing environmentally sustainable solutions for the waste industry

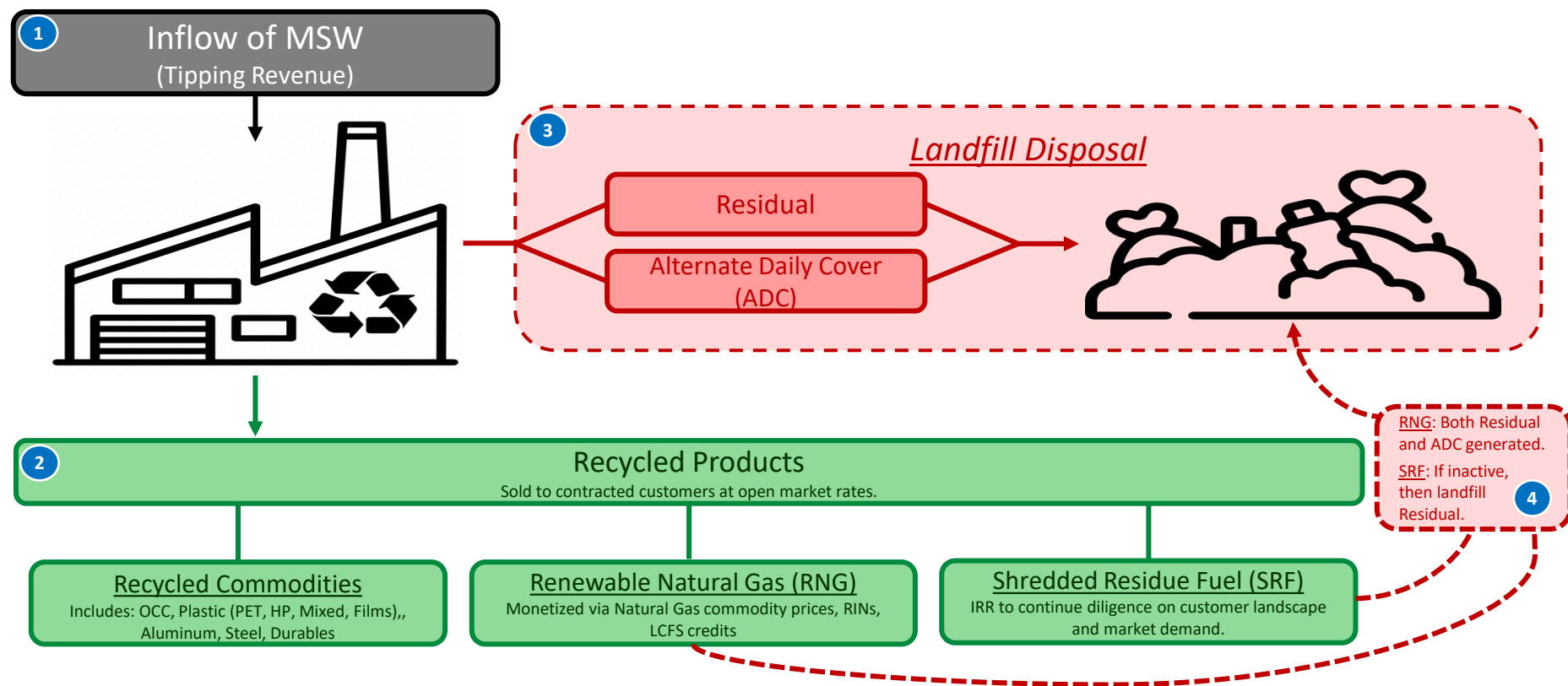
## Innovative Resource Recovery, LLC

- Innovative is leading the way in developing facilities that recover valuable resources from waste streams.
- Led by team of executives with decades of experience in waste, energy & finance

## White Oak Global Advisors (WOGA)

- Founded in 2007, White Oak Global Advisors, LLC is an SEC-registered investment advisor and private credit firm that provides small and middle market businesses with creative financing solutions.
- White Oak's mission is to “finance good businesses run by strong management that have good ideas, products, and services”.





- 1 An unfiltered stream of MSW is tipped on the facility floor, mostly comprising of unopened black trash bags. From there, the MRF processes and filters the waste, through several complex sorting techniques, into 13 distinct outflow streams that are then either sold as a recycled product or disposed at a landfill.
- 2 **Recycled Products:** i) Recycled Commodities: Homogenous streams, such as plastic or cardboard (OCC), are baled and sold to local/regional customers for further processing. ii) RNG: Two MRF outflow streams, dense with wet paper and food waste, are sent through the anaerobic digestion systems to generate biogas that is sold to the grid, iii) SRF: Films (plastic bags) and shredder plastic materials are sent through a shredding process to create a fuel residue that is sold to incinerators.
- 3 **Landfill Disposal:** Outflow MRF streams that are contaminated and cannot be further processed or sold are disposed at landfills as a Residual. However, ~25% of the total landfill disposal meets ADC characterization and can be tipped at a lower price since used for landfill topping/capping.
- 4 **Additional Landfill Disposal:** Residual streams generated from the anaerobic digestion process that is sent to the landfill. Deal Team continues to diligence the SRF market/tech to identify regional demand. If the SRF process is inactive, which is applicable in the Stress Case, the respective stream diverted to landfill.

## Plant Overview



## Municipal Waste Solutions – Technical Progress to Date

- Continued engineering & development activities focused on MRF modifications and expanded anaerobic digestions system capacity
- Processed waste during July trial run focused on:
  - Validate MRF equipment efficacy for repairs & upgrades
  - Capture samples of OFMSW and paper (to be digested)
  - Samples currently being tested to confirm treatment & biomethane potential to inform design
- Ongoing outreach to equipment vendors and technology partners to further advance detailed engineering of plant re-start





## Municipal Waste Solutions – Commercial Progress to Date

- Continue to advance commercial & regulatory discussions around several key elements of the facility
  - Maintain an active dialogue with the Maine DEP and the Town of Hampden to ensure we are in a position to restart operations when construction is complete and that our plans are in accordance with all local and state regulations
  - Coordinating with local gas utility to ensure our systems can safely and reliably inject RNG to the local distribution grid
  - Working with industry consultants and potential RNG sales counterparties, to ensure we optimize the value of the environmental attributes of our RNG
  - Confirming potential incentives and other benefits that the project may qualify for under the Inflation Reduction Act

# Municipal Waste Solutions – Path Forward

- Optimize plant's existing infrastructure and equipment within design to process mixed waste, retrofitting the back end to support the production of renewable natural gas and other products.
- Engineering will continue throughout 2023, with construction expected to commence in 2024, and achieving commercial operations in 2025.
- When operational at full permitted capacity, the plant has the ability to process ~180,000 tons/year of mixed waste and will divert over 50% of that material from landfill
- Innovative continues to seek technologies and operational strategies that will help Maine communities economically increase the % of waste that can be diverted from landfill

# MRC Financial Position: Today vs. 1 Jan 2023

George Aronson, Commonwealth Resource Management

		<i>Today</i>	<i>1 Jan 2023</i>
<i>Physical assets</i>	Site	MRC owns, lease payments	MRC owned, lease accrued
	Facility and improvements	MRC owns <b>10%</b> of MWS	MRC owned <b>100%</b> of MWS,
<i>Monetary assets</i>	Contingency and D&D accts	\$1,381 K	\$ 519 K
	Investment accounts	\$1,426 K	\$1,349 K
<i>Responsibilities</i>	JM Tip Fees vs. bypass costs	IRR pays MRC to manage bypass; IRR funds cash flow	MRC managed bypass and funded losses
	Swap accruals	Near zero	Significant back-log
	Liens, administration, Facility utilities & upkeep; personal property taxes	Liens retired; IRR pays expenses; IRR investing in progress toward re-opening	Liens; MRC paid expenses; MRC paid to search for partnership/financing



What a difference a year can make!





# Public Comment

# 2024 Meeting Schedule

## Quarterly Board of Directors and Finance Committee Meetings

➤ January 24, 2024

➤ April 24, 2024

➤ July 24, 2024

➤ October 23, 2024

# Thank you!

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