

**MUNICIPAL REVIEW COMMITTEE, INC.**

**BOARD OF DIRECTORS**

A meeting of the Board of Directors of Municipal Review Committee, Inc. was held on Wednesday, May 7, 2014 at 10:00 a.m. at the Town of Orono Municipal Building, 59 Main Street, Orono, Maine. In attendance were the following:

**Directors:**

Catherine Conlow, Bangor  
Karen Fussell, Brewer  
James Guerra, Rockport  
Phil McCarthy, Clinton  
Joshua Reny, Fairfield  
Tony Smith, Mt. Desert  
Sophie Wilson, Orono  
Elery Keene, Winslow

**Consultants:**

Greg Louder, MRC Executive Director  
George Aronson, CRMC  
Dan McKay, Esq., Eaton Peabody

**Guests:**

Peter Prata, PERC  
Gary Stacey, PERC  
Kevin Nordby, SET PERC

Jennifer Baroletti kept the minutes of the meeting and in the absence of President Reeves, Vice President Joshua Reny presided.

Vice President Reny convened the meeting at 10:00 a.m.

**APPROVAL OF MINUTES**

The first order of business to come before the Board was approval of the minutes of the January 22, 2014 quarterly meeting of the Board of Directors and the March 12, 2014 special meeting of the Board of Directors. It was noted that meeting minutes for the March 12, 2014 special meeting incorrectly state the convening time as 1:00 p.m., and it should read 10:00 a.m.

James Guerra noted that in both meeting minutes, his town is incorrectly listed as Rockland, and should be listed as Rockport. Upon motion made and duly seconded it was unanimously:

**VOTED:** That the minutes of the January 22, 2014 quarterly meeting of the Board of Directors of the MRC and the minutes of the March 12, 2014 special meeting of the Board of Directors of the MRC hereby are approved in the forms presented to the Board at this meeting, as modified by the corrections discussed.

### **CONSIDERATION OF FINANCIAL STATEMENTS AND BILLS PAYABLE AS OF MARCH 31, 2014**

Sophie Wilson presented bills payable totaling \$56,654.07 to the Board for consideration, noting that the balance sheet presented was actually through May 2, 2014. Upon motion made and duly seconded it was unanimously:

**VOTED:** That the bills payable of \$56,654.07 presented to the Board at this meeting for the period ending March 31, 2014 hereby are approved.

### **CONSIDERATION OF AMENDMENT TO 2014 OPERATING BUDGET**

Greg Louder directed the Board's attention to a new line item in the operating budget, in the estimated amount of \$30,000 - \$42,000 to conduct vernal pool/aerial surveys. The source of funds for the work will be the operating budget stabilization fund. Upon motion made and duly seconded it was unanimously:

**VOTED:** That the operating budget be amended as presented in the amount of \$30,000 - \$40,000 to provide for conduct of vernal pool/aerial surveys, and that the necessary funds be drawn from the operating budget stabilization fund.

## **FIRST QUARTER 2014 TIPPING FEE CALCULATION**

George Aronson presented the PERC tipping fee calculation for the first quarter of 2014 of \$77.00 per ton. He noted that tonnage from charter towns was down because of collection interference due to snow storms, but that the numbers rebounded substantially in April. He noted that at times the facility operated with only one boiler due to lack of fuel.

Based upon his review of the PERC materials, he recommended that the Board vote to accept the tipping fee calculation. Upon motion made and duly seconded it was unanimously:

**VOTED:** To accept the tipping fee for the first quarter of 2014 at \$77.00 per ton as calculated by PERC.

## **PERC FACILITY OPERATIONS REPORT**

Peter Prata, PERC Plant Manager presented the PERC Facility Operations Report for the first quarter of 2014. He reported that tonnage was down, but that it was a busy quarter due to scheduled outages for maintenance. He reported that glass and grit was slightly elevated, but has since come down to levels typical for this time of year. Truck waiting times were typical, averaging in and out of the plant within a half hour.

In mid-March, the A and B boilers were down during scheduled outages for maintenance. Mr. Prata explained the process for servicing the boilers, and reported that both boilers are in good shape. This routine maintenance is only done every ten years. In the B boiler, the tube sheet in the bag house was replaced and the air heater was serviced, including installation of new air heater tubes. Mr. Prata reported that there were no environmental exceedences, approximately one hundred and twenty-five (125) service workers worked over the four day scheduled outages, and there were no safety issues.

Finally, Mr. Prata reported that the plant is a bit behind budget on electrical production, but approximately one percent (1%) ahead of this time last year.

**CHARTER MUNICIPALITY ASSET MANAGEMENT REPORT – CUSTODY ACCOUNT, TIP FEE & OPERATING BUDGET STABILIZATION FUNDS, CONSIDERATION OF WITHDRAWAL FROM THE TIP FEE STABILIZATION FUND FOR 2<sup>ND</sup> QUARTER CASH DISTRIBUTION**

George Aronson presented an overview of the Charter Municipality Asset Management Report compiled by Commonwealth Resource Management. He summarized key elements of the Charter Municipality Asset Management Report noting that there are current balances of \$1.157 million in the Custody Account, \$21 million in the Tip Fee Stabilization Fund and \$1.96 million in the Operating Budget Stabilization Fund. He recommended a quarterly cash distribution of \$912,788.42.

He reported that cash flows have been good this quarter, and there is no need to draw funds from the Tip Fee Stabilization Account in order to make the cash distribution.

Following Mr. Aronson’s presentation, and upon motion made and duly seconded it was unanimously:

**VOTED:** That the Charter Municipality Asset Management Report hereby is approved in the form presented to the Board at this meeting and that a cash distribution in the aggregate amount of \$912,788.42 be made to the members.

**REPORT ON PROGRESS WITH POTENTIAL WASTE CONVERSION TECHNOLOGY PARTNERS PURSUANT TO MRC REQUEST FOR EXPRESSIONS OF INTEREST (“RFEI”) PROCESS**

George Aronson provided a progress report on the RFEI process, indicating that the Board continues to exchange information with Fiberright, but remains in the feasibility stage and additional information is necessary. He reported that the goal is to complete the feasibility study and bring the results to the Board at the October 2014 meeting. He reported that last quarter, a similar facility was up and running in Alabama, which is in some ways similar to the Maine

market. He has been invited to tour the Alabama facility, and a general discussion ensued regarding the Board's interest in touring the facility and whether or not there are sufficient funds to cover the trip. After discussion, the Board agreed that it would be beneficial, and it was determined that Greg Louder and Chip Reeves would coordinate with George Aronson to schedule his tour of the Alabama facility.

Dan McKay reported that, at the Board's request, he had researched whether or not the law requires a competitive bid process for development of the project. He reported that a competitive bid process is not required by law.

**ADMINISTRATIVE REPORT – NEW CHARTERS/CONTRACTS, 2014 GAT TRADE PERIOD, WASTE DELIVERY TRENDS, PENDING DEP APPLICATION FOR DETERMINATION OF PUBLIC BENEFIT, MRRA CONFERENCE, 2013 MRC FINANCIAL AUDIT, MEMBER COMMUNITY DISCUSSIONS POST 2018**

Mr. Louder presented his Administrative Report to the Board. He noted that there were no new charter municipalities in the first quarter. He reported on waste delivery trends and distributed related materials.

Mr. Louder requested guidance from the Board as to the approach to the GAT trading period in 2014, noting the anticipated high demand for decreases in GAT with no corresponding requests for GAT increases. It was agreed that the Board needs to discuss how to deal with this issue. The MRC has made an effort to work with PERC to discuss the GAT shortfall and penalty issue, but those efforts have not been fruitful. The Board directed that GAT trading should proceed as is customary, but that the MRC should be clear with municipalities that it will be unlikely that they will be able to trade down.

Mr. Louder reported on waste delivery trends, indicating that overall deliveries were down in the first quarter of 2014 compared to last year, which is consistent with the trends in

recent years. This affirms the need to transition to a post-2018 system that relies on less waste because these numbers are consistently declining.

He reported that the DEP Application for Public Benefit has generated a lot of interest, particularly in the Argyle and Greenbush communities. DEP is in the process of reviewing the application and expects to schedule a meeting during the first week of June. Mr. Louder reported that he is planning to attend the Argyle Community Meeting on May 21<sup>st</sup> to discuss the application with Argyle residents.

George Aronson and Greg Louder reported on their attendance at the two day conference of the Maine Resource Recovery Association. George gave a presentation that was very well received. After speaking with state-wide leaders of recycling, it is clear that despite best efforts to implement single sort recycling at the local level, there is still a fair amount of recycling material left behind in the waste stream. They were encouraged that there is a valuable place for a mixed waste facility locally, and felt confident that the Board is on track to put MRC in a better position for recycling post-2018.

Mr. Louder reported that he continues to have active conversations in member communities about an affordable, long term and environmentally sound long term waste disposal solution. Sophie Wilson suggested that the communications received from the member communities be circulated to the Board.

## **GUEST DISCUSSION**

Mr. Louder then opened the floor to those individuals in attendance at the meeting who wished to voice suggestions of topics they would like addressed and explained at the upcoming public meeting in Argyle.

The following questions and concerns were addressed to the Board:

- (1) What were the criteria for choosing the area for a potential landfill site?
- (2) What other sites were considered?
- (3) Concern that every property will be devalued if a landfill is put in their town.
- (4) Has a letter been sent to communities asking if any communities are interested in hosting the landfill?
- (5) Why are so many communities unaware that this application was for a waste site?
- (6) Concerns that both Argyle and Greenbush are near the river and there is potential for runoff that will affect water quality.

Mr. Louder thanked the residents for attending the meeting and for their suggestions, which would be addressed at the upcoming public meeting.

At 11:18 a.m., the meeting adjourned for lunch.

At 12:00 p.m., the meeting reconvened.

## **EXECUTIVE SESSION**

A motion was made, and duly seconded, at 12:00 p.m. to adjourn the meeting to executive session pursuant to 1 M.R.S.A. §405(6)(A) and (E) for discussion with legal counsel

concerning legal rights and duties over potential negotiations involving post 2018 solid waste disposal option, pending litigation and a personnel matter. Whereupon, it was unanimously:

**VOTED**: That the meeting is adjourned to executive session.

At 1:41 p.m., executive session ended and the regular meeting reconvened. After discussion regarding the time and place of the next Board Meeting, there being no further business to come before the Board, the meeting adjourned at 1:51 p.m.

Respectively submitted,

  
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Jennifer S. Baroletti

Dated: April 29, 2015