

MUNICIPAL REVIEW COMMITTEE, INC.

BOARD OF DIRECTORS

A special meeting of the Board of Directors of Municipal Review Committee, Inc. was held on Friday, April 15, 2016 at 1:00 p.m. at the Town of Orono Municipal Building, 59 Main Street, Orono, Maine. In attendance were the following:

Directors:

Sophie Wilson, Orono
Elery Keene, Winslow (attended by telephone)
James Guerra, Mid-coast Solid Waste Corp.
Ken Fletcher, Winslow (attended by telephone)
Catherine Conlow, Bangor
Chip Reeves, Bar Harbor
Tony Smith, Town of Mount Desert
Karen Fussell, Brewer

Staff:

Greg Lounder, MRC Executive Director

Consultants:

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

Jennifer Baroletti kept the minutes of the meeting and Chairman Reeves presided.

Chairman Reeves convened the meeting at 1:05 p.m.

APPOINTMENT OF REPLACEMENT BOARD MEMBER

The Board first considered filling the vacancy on the Board created by Barbara Veilleux's recent resignation for the remainder of her term. Board member Sophie Wilson made a motion to appoint Tony Smith, provided that the Town of Mount Desert Board of Selectmen approve his Board service. Ms. Wilson noted that, as a former board member, Mr. Smith is well versed in the Fiberright project and the MRC's initiatives to date, he knows the history of the MRC, and was a great Board

member during his previous board service. Upon motion made and duly seconded, it was unanimously:

VOTED: That Tony Smith from the Town of Mount Desert hereby is appointed to the Board of Directors of the MRC, to serve in that capacity until the next annual meeting of the MRC and until his successor has been duly elected and qualified or until his earlier resignation or removal from office.

CONSIDERATION OF EXTENSION OF DEADLINE FOR COMMUNITIES TO ENTER INTO JOINDER AGREEMENT

Dan McKay read proposed resolutions related to possible extension of the deadline for approval of municipal Joinder Agreements.

Board member Sophie Wilson made a motion to adopt the resolutions as presented, but noted that the Board needed to discuss the length of the proposed extension. The motion was seconded. Ms. Fussell noted that several communities have indicated that they would appreciate an extension to more fully evaluate the Fiberright project. Dan McKay explained that by adopting the proposed resolutions, the Board would be effectively relieving those communities from penalties that would otherwise be associated with late approval. Ms. Fussell noted this is not an amendment to the Joinder Agreement but is rather a finding of good cause to grant relief from the deadline set forth in the Agreement. The flexibility to grant such relief is built into the documents. Consequently, approval of the proposed resolutions will not affect communities that have already approved the Agreement.

Board Member Cathy Conlow suggested June 30th as a revised deadline for consideration. Board Member Sophie Wilson stated her support of that date as there are a lot of June meetings scheduled, however, she also noted that approvals cannot languish for months because there is a tight timeline for the project.

Board Member Jim Guerra noted the importance of keeping the door open long enough for people to spend time considering this additional information. Board Member Ken Fletcher asked how the June 30th date fits in with the construction schedule. George Aronson noted his understanding,

which should be confirmed in writing, that an extension until June 30th would not extend Fiberight's schedule, but only shortens the lead time for the MRC board to make decision to start on infrastructure.

Ms. Wilson noted that with this compressed time frame the Board is trying to schedule several informational meetings. There are a number of board members who are actively participating in that process, and extending the deadline may make this process easier.

Chairman Reeves accepted several additional comments and questions from the audience. Following this discussion, the following resolutions were adopted unanimously:

WHEREAS, the Municipal Review Committee, Inc. ("MRC") has proposed to enter into and has entered into Municipal Joinder Agreements pursuant to which current MRC Members ("Charter Municipalities") and others would agree to become Joining Members of the MRC (as defined in the Municipal Joinder Agreement); and

WHEREAS, the MRC is also party to a Master Waste Supply Agreement with Fiberight, LLC ("Fiberight") pursuant to which the MRC has undertaken to procure waste from its membership for delivery to a waste processing facility to be constructed by Fiberight in Hampden, Maine (the "Fiberight Facility"); and

WHEREAS, the Municipal Joinder Agreement provides that Charter Municipalities that affirmatively elect not to become Joining Members or that otherwise do not sign a Municipal Joinder Agreement by the later of (i) seven days following the date of any scheduled town meeting of such Joining Member at which approval of the Municipal Joinder Agreement is to be considered, or (ii) May 1, 2016 (the "Determination Deadline") shall be classified as "Departing Municipalities"; and

WHEREAS, Section 4.3(d) of the Municipal Joinder Agreement provides that, unless the MRC Board of Directors determines otherwise for good cause shown, no Departing Municipality that subsequently is re-admitted to membership in the MRC shall be entitled to any rebate payments during the initial fifteen (15) year term of the Municipal Joinder Agreement (the "Rebate Limitation"); and

WHEREAS, pursuant to paragraph 6 of Exhibit B of the Municipal Joinder Agreement, unless the MRC Board of Directors determines otherwise for good cause shown, Departing Municipalities that subsequently are re-admitted to membership in the MRC shall, as a condition to their re-admittance, be required to make an additional payment of \$2.21 per ton delivered over the initial fifteen year term of the Municipal Joinder Agreement (the "Supplemental Payment"); and

WHEREAS, Section 3.2 of the Master Waste Supply Agreement requires the MRC to encourage Maine municipalities and municipal entities to become Joining Members until May 1, 2016 or such later date as the MRC and Fiberight may mutually agree upon; and

WHEREAS, a number of Charter Municipalities have requested additional time beyond the original Determination Deadline within which to determine whether to enter into a Municipal Joinder Agreement and become a Joining Member as defined therein; and

WHEREAS, pursuant to Section 4.3(d) and paragraph 6 of Exhibit B, the Board of Directors has the authority for good cause shown, to allow Departing Municipalities to be readmitted to the MRC as Charter Members without imposing the Rebate Limitation or the Supplemental Payment as otherwise required; and

WHEREAS, the Board of Directors has determined for good cause shown that, in view of the evident need of some Charter Municipalities for additional time within which to decide whether to become Joining Members, it would be in the interests of the MRC membership as a whole to effectively extend the Determination Deadline by determining that Charter Members who become joining Members on or before June 30, 2016 shall, notwithstanding the provisions of Section 4.3(d) and paragraph 6 of Exhibit B, not be subject to the Rebate Limitation or the Supplemental Payment requirement; and

WHEREAS, the Board of Directors has further determined that it would be appropriate to extend the date through which it will continue to encourage Maine municipalities and municipal entities to become Joining Members;

NOW, THEREFORE, IT IS:

RESOLVED: That the Board of Directors hereby determines for good cause shown that, notwithstanding the provisions of Section 4.3(d) and paragraph 6 of Exhibit B of the Municipal Joinder Agreement, Departing Municipalities that agree to execute and deliver the Municipal Joinder Agreement on or before the later of (i) seven days following the date of any scheduled town meeting at which approval of the Municipal Joinder Agreement is to be considered, or (ii) June 30, 2016 and thereby to become Joining Members of the MRC shall, notwithstanding the Rebate Limitation, be entitled to receive rebate payments under Section 4.3 of the Municipal Joinder Agreement on the same basis as rebate payments are paid to eligible Charter Municipalities and shall not be subject to the Supplemental Payment otherwise required by paragraph 6 of Exhibit B of the Municipal Joinder Agreement.

RESOLVED: That the MRC seek the agreement of Fiberight to an extension of the date set forth in Section 3.2 of the Master Waste Supply Agreement for the encouragement of Maine municipalities and municipal entities to become Joining Members to the later of (i) seven days following the date of any scheduled town meeting at which approval of the Municipal Joinder Agreement is to be considered, or (ii) June 30, 2016, and each of the President and Treasurer of the MRC hereby is authorized, acting singly, to approve, execute and deliver such documentation as may be necessary or appropriate to evidence such extension.

Marc Leonard, Town Manager of Veazie addressed the Board, noting that Chairman Reeves recently came and presented to the Town. Mr. Leonard wanted to publicly commend Chairman Reeves on a great presentation. Chairman Reeves thanked Mr. Leonard for his comments. Greg Louder introduced Gary Bowman, Town Manager of Oakland, and thanked him for his efforts and support. Mr. Louder noted that Mr. Bowman is working on a backhaul opportunity that may be made available to towns in his area. Mr. Bowman commended Mr. Louder for his presentation before the Town of Oakland and noted that the Town's Waste Committee had voted 8-0 to support the Fiberight project and are thrilled to be a member of the MRC.

EXECUTIVE SESSION

A motion was made, and duly seconded, at 1:40 p.m. to adjourn the meeting to executive session pursuant to 1 M.R.S.A. §405(6)(E) for discussion with legal counsel concerning legal rights and duties regarding pending litigation with USAE and related contract issues. Whereupon, it was unanimously:

VOTED: That the meeting is adjourned to executive session.

The Board took a brief break and Board Members Ken Fletcher and Elery Keene left the meeting.

At 1:50 p.m., the board reconvened in executive session.

At 3:00 p.m., the executive session ended and the regular meeting reconvened.

MEMBER ALERT CONCERNING CASELLA CONTRACT

The board discussed a member alert concerning the reported Casella contract with PERC and questions regarding its impact on the region. Board Member Karen Fussell presented a draft member alert she had prepared and the board discussed revisions. The board agreed to have George Aronson revise the draft and circulate to the Communications Committee and Dan McKay for review.

George Aronson and Board Member Tony Smith left the meeting at 3:36 p.m.

DISCUSSION OF PUBLIC INFORMATIONAL MEETINGS

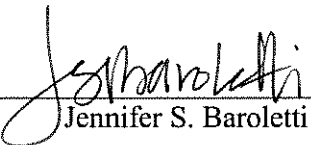
The Board discussed the public informational meetings and the importance that a cohesive and consistent message be conveyed to all communities.

OHER BUSINESS

A general discussion ensued regarding administrative support for Greg Louder. Mr. Louder is traveling several days/nights a week to towns for informational meetings and is often out of the office for extended periods of time. The Board discussed the importance of hiring a temp as soon as possible to assist Greg in answering the telephone, taking messages and responding to emails.

There being no further business to come before the Board, the meeting adjourned at 4:11 p.m.

Respectively submitted,



Jennifer S. Baroletti

Dated: April 27, 2016