

MUNICIPAL REVIEW COMMITTEE, INC.

BOARD OF DIRECTORS

A special meeting of the Board of Directors of Municipal Review Committee, Inc. was held on Wednesday, March 15, 2016 at 2:00 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
Barbara Veilleux, Penobscot County
Karen Fussell, Brewer

Staff:

Greg Louder, MRC Executive Director

Consultants:

Daniel G. McKay, Eaton Peabody
Jessamine Pottle, CES, Inc.

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

Chairman Reeves convened the meeting at 2:04 p.m.

**UPDATE ON MEMBER COMMUNITY LOCAL APPROVALS OF THE JOINDER
AGREEMENTS AND THE MRC PLAN FOR 2018**

Greg Louder distributed a current list of the twenty-six (26) towns which have signed on to the Fiberight project thus far, including the following: Brewer, Hampden, Bar Harbor, Bangor, Trenton, Aroostook County Commissioners, St. Albans, Swans Island, Boothbay Region Refuse Disposal District, Dexter, Corinna, Palmyra, Garland, Cranberry Isles, Mattawamkeag and Pleasant River Solid Waste Disposal District. The total estimated tons for these twenty-six towns is Fifty-four Thousand Thirteen (54,013) tons. Mr. Louder reported that at their annual meetings last evening, each of Harrington and Cherryfield decided to table the decision, and the town of Harrington delegated authority to the selectmen

to make the decision by the end of April 30th. Cherryfield will reconvene its town meeting to make a decision prior to April 30th.

The Board discussed the situation on the eastern end of the service area. A few towns located downeast are considering taking their trash to a Canadian landfill because it makes more sense financially than the Fiberight project due to their location. On the other hand, Greg Lounder noted the significance of Boothbay signing on to the Fiberight project, as a commitment from the most southern point in the MRC service area.

Mr. Lounder indicated that he has heard indications that the town of Oakland will sign on as an MRC member. A general discussion ensued regarding how the tonnage of Waterville, Winslow and Oakland, which all comes in under the Waterville contract, is handled under the current contract and how this arrangement might work under the new Fiberight agreement. After discussion, the Board agreed that if the Town of Oakland decides to join as a new member, it would be recognized as a new charter recognizing its history of delivering waste under Waterville's contract. It was noted that under the current arrangement, because Waterville is listed as the equity member, when it is time to distribute reserved funds, the Town of Waterville will get all reserves allocable to it based on total tons delivered under its contract.

With regard to the tonnage amounts listed on the handouts, Mr. Lounder indicated that those numbers are based on historical deliveries or conversations with towns regarding their future expectations. Mr. Lounder indicated most seem to be estimating what the current delivery amount is today.

It was noted that Central Penobscot is going to vote this evening, and they currently deliver approximately 2,500 tons.

The Board discussed its approach with towns and what is and isn't working, and Chairman Reeves indicated that it seems to be region specific. The motto of sticking together as a team is resonating well.

Karen Fussell reported that the Communication Committee is preparing a reminder to be sent to member communities. The flyer is brief and to the point. It states the consequences for missing the deadline. The Board noted that if communities have regularly scheduled meetings in June they should let the MRC know the date and ask for an extension.

DISCUSSION OF PEOTENTIAL CHANGES TO THE MRC BYLAWS TO ENSURE THAT ANY POTENTIAL FOR FURTURE CONFLICTS OF INTEREST ARE ADDRESSED AND TO ENHANCE MEMBER COMMUNITY INVOLVEMENT IN FUTURE BUDGET DEVELOPMENT AND AMENDMENT AND OTHER FINANCIAL MANAGEMENT MATTERS

Greg Louder mentioned that the MRC has been working with a Midcoast group to discuss any potential conflicts of interest. A general discussion ensued regarding the level of members participating in the budget development and amendment process. General concerns have been raised as to various matters related to MRC governance. Dan McKay noted that current governance provisions already have been approved by a number of communities and it would not be possible as a practical matter to make revisions mid-stream. However, he suggested sending a letter out indicating that concerns have been raised, that the board is respectful of comments received, and when the dust settles the board would suggest appointing a committee comprised of board members and member representatives to study proposed bylaw amendments and to recommend changes.

The Board then discussed state law relating to disposal of MSW and the current licensing and expansion of Casella. Dan McKay discussed that Midcoast has a concern that the Crossroads deal only guarantees 10 years, and looking for sense of the Board that it would support Crossroad's consideration for an expansion as Crossroads wouldn't have capacity to make it the whole ten years. The Board agreed that it would support an expansion at Crossroads consistent with the state hierarchy.

**CONSIDERATION OF ESTABLISHING AND FUNDING AN ESCROW AMOUNT WITH
HAMPDEN TO FACILITATE PAYMENT OF REASONABLE AND QUALIFIED THIRD
PARTY EXPERT REVIEW EXPENSES INCURRED BY HAMPDEN IN CONNECTION WITH
LOCAL REVIEW OF THE MRC/FIBERIGHT PENDING SITE PLAN –
PERMITTED/CONDITIONAL USE APPLICATION FILED WITH THE TOWN ON MARCH 1,
2016**

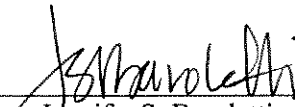
Greg Louder distributed copies of an email he received from Dean Bennett, Town of Hampden, with the estimate of Twenty-one Thousand Dollars (\$21,000) for peer review and legal resources. Mr. Louder noted that of the Fifteen Thousand Dollars (\$15,000) referenced for Woodard and Curran, approximately Ten Thousand (\$10,000) was for Woodard and Curran staff time, approximately Two Thousand (\$2,000) was for outside advice regarding odor and approximately Two Thousand (\$2,000) was related to traffic. The other Six Thousand Dollars (\$6,000) was for legal resources relating to the town's attorney expenses for reviewing submissions and determining responsiveness to the ordinance requirements. After discussion, and upon motion made and duly seconded it was unanimously:

VOTED: That the amount of \$21,000 shall be distributed to the Town of Hampden, to be held in escrow, as payment for expenses relating to the Town of Hampden's peer review and legal resources for the Fiberight project.

Cathy Conlow asked about the status of the Department of Environmental Protection ("DEP") process and where things stand, and Mr. Louder reported that all submissions are in, with the exception of a standard disclosure to come from Covanta. Mr. Louder reported that Denis St. Peter of CES, Inc. is not waiting for any additional information from Fiberight, and that the process is moving forward.

There being no further business to come before the Board, the meeting adjourned at 4:02 p.m.

Respectively submitted,



Jennifer S. Baroletti

Dated: April 27, 2016