

**MUNICIPAL REVIEW COMMITTEE, INC.**

**BOARD OF DIRECTORS**

A special meeting of the Board of Directors of Municipal Review Committee, Inc. was held on Monday, July 11, 2016 at 9:00 a.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  
Mike Roy, Waterville (attended by telephone)

**Staff:**

Greg Lounder, MRC Executive Director

**Consultants:**

Daniel G. McKay, Eaton Peabody  
George Aronson, CRMC (attended by telephone)  
Jessamine Pottle, CES, Inc.  
Craig Stuart-Paul, Fiberight (attended by telephone)

Daniel G. McKay kept the minutes of the meeting and Chairman Reeves presided.

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

**REPORT ON MEMBER COMMUNITIES HOLDING ANNUAL TOWN MEETINGS  
AFTER JUNE 30, 2016**

Mr. Lounder reported on the following member communities holding regularly scheduled town meetings after June 30, 2016:

Eddington – July 28, 2016;  
Lucerne-in-Maine – July 30, 2016;  
Sebec – August 8, 2016.

The Town of Oakfield has indicated that it plans to have a meeting to vote on July 20, 2016, however it is not clear if this is a regularly scheduled or special meeting date. Greg Louder will clarify this point. Dan McKay confirmed that the existing documents make provision for towns with late town meeting dates and that, accordingly, if these towns vote at their regularly scheduled meetings to become Joining Members, they will not be regarded as rejoining Departed Municipalities

**CONSIDERATION OF TOWNS OF BLUE HILL AND SURRY'S REQUESTS FOR AN  
EXTENSION OF JUNE 30, 2016 DEADLINE TO PROVIDE MORE TIME TO ACT TO  
BECOME JOINING MEMBERS**

Mr. Louder summarized the unique situation of these towns. They jointly operate a transfer station pursuant to an inter-local agreement. Both currently are Equity Charter Municipalities and each town has delegated the decision whether to become Joining Members to a transfer station board composed of three selectmen from each town. Two representatives from that board were present and spoke at the meeting, indicating that the board has held two public information meetings and has attempted to reach a decision but is presently deadlocked at 3-3.

In response to a board question, Craig Stuart-Paul of Fiberight confirmed that whether this or other requested extensions are granted will have no impact on the size of the Fiberight plant as redesigned. The plant will be designed for 125,000 tons with a goal of being able to demonstrate to potential financing parties at least 100,000 tons of committed tonnage.

A general discussion ensued concerning the timing needed for road construction so as to allow construction to start no later than early spring of 2017. Mr. Stuart-Paul promised to provide a graph for the next quarterly board meeting on July 27, 2016 showing time lines for financing, road construction and plant construction. The board discussed with Mr. Stuart-Paul the possibility of a surety bond to protect the MRC in the event that it becomes necessary to begin road construction before the financial close.

After further discussion, and in light of the active efforts of Blue Hill and Surry to break the currently deadlocked vote, it was unanimously:

**VOTED:** That, having demonstrated good cause for their failure to become Joining Members on or before June 30, 2016, if the Towns of Blue Hill and Surry affirmatively elect to become Joining Members of the MRC on or before July 31, 2016, they (i) will not be required to pay a surcharge of \$2.21 per ton delivered over the initial 15 year term of the Joinder Agreement as otherwise required by paragraph 6 of Exhibit B of the Joinder Agreement; and (ii) will be eligible for rebate payments on the same basis as other Joining Members notwithstanding the provisions of Section 4.3(d) of the Joinder Agreement.

**CONSIDERATION OF TOWN OF BUCKSPORT'S REQUEST FOR AN EXTENSION OF JUNE 30, 2016 DEADLINE TO PROVIDE MORE TIME TO ACT TO BECOME A JOINING MEMBER**

The Bucksport Board of Selectmen held a meeting and voted prior to June 30, 2016 but were deadlocked at 3-3. The seventh councilor was absent but is now back and will vote at a meeting that has been scheduled for July 14, 2016 which presumably will break the deadlock. In light of these circumstances, it was unanimously:

**VOTED:** That, having demonstrated good cause for its failure to become a Joining Member on or before June 30, 2016, if the Town of Bucksport affirmatively elects to become a Joining Member of the MRC on or before July 31, 2016, it (i) will not be required to pay a surcharge of \$2.21 per ton delivered over the initial 15 year term of the Joinder Agreement as otherwise required by paragraph 6 of Exhibit B of the Joinder Agreement; and (ii) will be eligible for rebate payments on the same basis as other Joining Members notwithstanding the provisions of Section 4.3(d) of the Joinder Agreement.

**CONSIDERATION OF THE MIDCOAST SOLID WASTE CORPORATION MEMBER REQUEST FOR AN EXTENSION OF JUNE 30, 2016 DEADLINE TO PROVIDE MORE TIME TO ACT TO BECOME JOINING MEMBERS**

Two Rockport selectmen were present and explained to the MRC Board that that the Midcoast Solid Waste Corporation ("MSWC") board voted earlier this spring to leave the MRC and deliver waste to ecoMaine beginning in 2018. However, under the terms of their interlocal agreement, because the contract with ecoMaine would be for more than three years, town meeting approval of each member community is required. Three of the four towns in the district (Camden,

Rockport and Hope) voted down the ecoMaine proposal at their town meetings. Lincolnville voted to approve the ecoMaine proposal. The composition of the MSWC board will change in July, and it is uncertain what action it may take at its July meeting, scheduled for July 27, 2016. Whatever action is taken will then need to go back to the towns and a vote will need to be taken at special town meetings in each member town.

The MRC board had a lengthy discussion of the situation. Several Board members expressed considerable displeasure with the manner in which the entire matter has been handled by the MSWC board and, in particular, the manner in which Jim Guerra and other MRC board representatives have been treated by some MSWC board members.

After lengthy discussion, and in light of the active efforts of some members of the MSWC board to break the currently deadlocked vote, it was:

**VOTED:** That, having demonstrated good cause for its failure to become a Joining Member on or before June 30, 2016, if the MSWC affirmatively elects to become a Joining Member of the MRC on or before August 31, 2016, it (i) will not be required to pay a surcharge of \$2.21 per ton delivered over the initial 15 year term of the Joinder Agreement as otherwise required by paragraph 6 of Exhibit B of the Joinder Agreement; and (ii) will be eligible for rebate payments on the same basis as other Joining Members notwithstanding the provisions of Section 4.3(d) of the Joinder Agreement.

Chairman Reeves opposed the vote, Board Member Mike Roy had left the meeting and was not present to vote and Board Member James Guerra abstained.

#### **OTHER BUSINESS**

Mr. Lounder updated the Board on the status of the Department of Environmental Protection (“DEP”) permits. Draft permits have issued and the comment period has closed. Final approval is anticipated by the end of this week.

It was noted by the Board that a letter in opposition to issuance of the permits had been filed with the DEP by the law firm of Bernstein Shur on behalf of the PERC Partnership. The Board questioned the propriety of the Partnership engaging counsel for this purpose since the permits

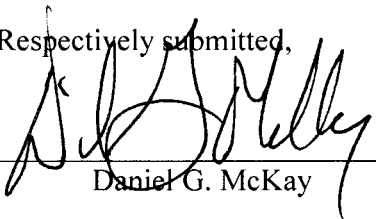
clearly relate to activities that would occur subsequent to expiration of the partnership's term. Counsel was instructed to write a letter to the general partner stating the MRC's objection.

The Board discussed briefly with George Aronson the process for adopting proposed amendments to the Master Waste Supply Agreement and the need for membership communication and opportunity for input in conjunction with that process.

Karen Fussell noted that a newsletter will be published in advance of the July 27, 2016 quarterly board meeting.

There being no further business to come before the Board, the meeting adjourned at 10:52 a.m.

Respectively submitted,

  
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Daniel G. McKay

Dated: 8/14/16