



**MIDCOAST SOLID WASTE CORPORATION  
BOARD OF DIRECTORS  
MINUTES OF  
APRIL 26, 2017  
MEETING**

**MEMBERS PRESENT:** Tom Ford (Chairman) – Hope, Don White – Camden – Owen Casas (Treasurer) – Rockport, , Michael Brown – Hope, David Barrows – Lincolnville,

**MEMBERS ABSENT EXCUSED:** Keryn Laite – Lincolnville, Bill Chapman–Rockport, and John French (Secretary) Camden

**REPRESENTATIVES PRESENT:** Jim Guerra–MCSWC Manager, Richard C. Bates–Rockport Town Manager, Samantha Mank – Hope Town Manager

**REPRESENTATIVES ABSENT EXCUSED:**

David Kinney–Lincolnville Town Administrator Representative, Roberta Smith–Interim Camden Town Manager, Jodi Hanson–Lincolnville Interim Town Administrator

**Guests:** Richard Crabtree, Hope Board of Selectman, Mid-Coast Waste Watch Committee Members

Chairman Ford called the meeting to order.

**A. PUBLIC COMMENT ON NON-AGENDA ITEMS:**

Josh Gerritsen, Chairman of the Mid-Coast Waste Watch Committee (MCWWC) provided the Board an update on committee assignments for the Committee as follows:

1 Year Term: Josh Gerritsen, Alison McKellar and Maggie Timmermann

2 Year Term: Anna Sideris, Marci Casas and David Edwards

Jim Guerra, Manager of MCSWC stated that Chris Pinchbeck of Hope is not able to join the committee at this time.

**B. REVIEW AND DISCUSSION OF LETTER FROM HOPE SELECTMEN:**

Guerra provided information on the pending sale of the PERC - MRC Limited Partnership Shares. The four towns are part of a group of Equity Charter Members that own a Limited Partnership in the PERC facility; the Towns of Camden, Hope, Lincolnville and Rockport that make up the MCSWC will receive a value of \$72,442.15 for their shares. A second liquidation which is valued at \$1.5 million will occur at a later date and those funds will also be distributed back to the towns.

Chairman Ford introduced Richard Crabtree & Mike Brown of the Hope Select Board who were present to discuss a letter received by the MCSWC Board of Directors on April 19, 2017 outlining concerns the Town of Hope has with the unwinding of the MRC and PERC ventures. Crabtree stated the letter served two purposes, the first it brings to light the concerns Hope has regarding the handling of the return of

funds resulting from the MRC/PERC contract dissolution and where the funds will reside until needed for final closure of the landfill. Secondly the letter recognizes the historic value of a weighted voting system but asks if it continues to serve the organization as well as it has in the past. Hope Selectman feel that large decisions are going to be made about the facility that will impact all the towns; and while the current rating system used for billing out capital improvements has the same impact financially on each town, the current voting system allows the direction in these events to be determined by only two of the towns. The Town of Hope Select Board feels there is value in developing a voting structure that could serve the organization without lessening the historical agreements that would be suitable and fair for all the towns. They suggest a different voting system where at least three towns would be required to produce a majority vote. Having three towns needed for a majority vote can help direct the board decisions better and reflect a better outcome of unanimous decisions rather than split decisions. Discussion on the possible new system was held.

Casas supported the idea of change and stated his knowledge that two town representative can also vote differently and so not all votes are based on voting as a "town". Crabtree agreed that this issue should be followed up as currently it is not clear if a representative on the MCSWC Board of Directors has an allegiance to the Town they represent or the Corporation they represent. Crabtree stated that the question of where does the fiduciary responsibility lie needs to be discussed further. Guerra and Bates felt that bringing these questions forward now makes good sense. Brown agreed that this is why Hope is suggesting discussions on the issues, especially voting distribution, be held before commitment to a re-design of the facility takes place.

Tom Ford spoke to the continued development of corporate goals that will occur in June and indicated the current By-Laws and Interlocal Agreement are slated to be reexamined. Ford suggested that an exploration of these documents take place and the Board consider how best to influence the voting structure for the future of the Organization. He invited Crabtree to be a part of the discussion. He also stressed that the current Board members have a responsibility now to help shape the facility and provide a clear indication of the use of these funds and to communicate that clearly to those who will be involved with the facility in 8-10 years from now.

Rick Bates opened a discussion on the Warrant Articles creating tight language directing how the funds are to be distributed from the designated reserve fund restricting that they cannot be transferred or used for another purpose without another vote. Crabtree responded that Hope selectman signed a warrant that did not include where the funds will go, only to exercise the PUT Option. In addition, the Hope Select Board is discussing the intention to keep all the fund receipts from the dissolution from MRC and the end of the PERC contract under their own control and not place it in a joint fund. In the final analysis they did not want to give up control of the funds, and allow them to add financial flexibility to the Corporation and possibly allow for further capital investment decisions and under the current voting structure Hope would not have a voice in the direction those funds are spent. The Board of Directors is a legislative body for a quasi-municipal organization and it is not clear who would oversee the fund account set up by the Warrant.

Casas asked Guerra if there are any large projects in the foreseeable future. Guerra stated that there would be no other large projects other than some piezometers that will be installed in the landfill sooner rather than later and would cost approximately \$10 or 15,000. He felt these projects could be budgeted for leaving only the final closure as the largest project. French reminded the group that all four towns, through the agreements they have entered, are responsible for the quarry and the eventual closure of the landfill. That means the funds can be allocated now, or they will need to be paid in the future. Guerra asked if he should continue to place funds in the closure reserve account if the money from the

dissolved MRC/PERC venture is going to be added. Ford suggested that be a future discussion when the outcomes are known.

**C. FACILITY MANAGER'S REPORT:**

Guerra reported that some welding work on the #1 Compactor was completed and the "hopper" there is newly painted.

The leachate from the southern end of the quarry is flowing at a rate of 14-19 gallons per minute. Guerra reported this is 20 gallons less than previous spring rates which normally read 35-40 gallons per minute. Ford asked where the leachate pump is located and Guerra explained it is in the landfill in a well, behind the new entrance road and situated next to a steel pipe on the left. Brown asked what the savings are with the drop in gallons and Guerra responded that he needs time to figure that out and it is not known yet. The northern end of the quarry continues to rise and it is easier for him to affect the water levels in the southern end of the quarry. Guerra plans to pump at this steady rate.

Ford allowed a question. Alison McKellar asked if the water level is being measured in the northern end of the quarry and Guerra stated that there needs to be a stadia rod replaced that was lost to the ice in the quarry last fall and a survey is needed to place it correctly but that the water it is rising in the north end.

Slow winter thus far and the last quarter of last year the MSW tipping rates were off by 12% and Guerra attributed it to the work we did on the wall last fall. The newest figures seem to indicate we are still off 8% now so something is happening – perhaps more dumpster use in town or a review of Casella's tipping report at PERC may need to be done, or other commercial haulers like Riverside are making an impact. A discussion on haulers in the area was held. Casas asked if an uptick in recyclables was a possible cause. Guerra feels there is more cardboard but everything else is lighter. It is early to be determining that that sort of resolution is not applicable.

An injured employee will be out for a short period of time for a surgery and will return on light duty. This event provided the opportunity for Guerra to create a new work schedule and implement it so that employees are taking part in a good cross training program and learning how to do everything on site and so we will be short handed for a time. Ford asked how shorthanded? Guerra indicated the employee will be out at least a week but by doubling up employees in the area we have good coverage.

Guerra recently gave two speeches, one at the Mid-Coast Leadership Academy and a second at the MRRRA Conference held last week at the Samoset Resort. He also spent time with the DEP manager at the Conference and there will be a visit at the facility shortly.

During the next few weeks Guerra will focus on getting together for the future development plan for the facility and getting information collected for the DEP Annual Report. Guerra gave notice he is out for jury duty on May 3<sup>rd</sup>.

**D. Update from the Waste Watch Committee Survey Results:**

Tom Ford introduced Alison McKellar a member of the Mid-Coast Waste Watch who provided a PowerPoint presentation of the recent survey taken by residents in Camden, Hope, Lincolnville and Rockport. There were 1088 on-line responses and 6-8 written responses completed. McKellar thanked

those community organizations and groups that helped disseminate the survey. The responses brought light to some of the following points:

- The facility is a vital service and there was an overwhelming response that these 1000 plus participants were satisfied or greatly satisfied with the employees and facility overall.
- People took time to take the questions but a large amount of comments provided insight into what types of educational initiatives could be pulled from the responses.
- McKellar used the perception of yellow bag fees and the need to connect the true cost of recycling outside the yellow bag fee as a place where education is needed.
- Many parts of the survey helped to show what areas of the facility people enjoyed and what changes they would like to see. Topics on the possibility of single plastic bag and Styrofoam bans in the future were asked and many respondents up to 70% in some instances responded they would like to see action on these issues.
- Many folks said they were interested in helping with the committee and the work they plan to do.

The MCWW hopes to develop a newsletter in the future and to continue working on these issues within the community and to assist the facility with reaching goals set to make sustainable changes that work for the people who use the transfer station. A brief discussion on looking for viable solutions to creating space and salvaging items with life in them when the facility design is looked at was held. The Board thanked the MCWWC and asked it was agreed that after the information was digested that the Committee provide input to an ongoing conversation with the Board on suggestions and actions on changes that should be addressed from the information that rises out of the survey. McKellar let the Board know that the survey results were now a public document and the Board agreed by general consensus that the information should be made available so the public can see the results. Guerra will be working to develop diversion of materials as space allows and written articles for public consumption on social media and local papers taken from the survey in order to make the MCSWC a source of good information for the citizens.

**E. Update of Comprehensive Facility Evaluation at the Strategic Planning Committee Meeting:**

Guerra provided a brief update on the SPC which has met several times. The first meeting covered the facility at large including choke points, safety area concerns and sprawl. A second meeting covered dollars and sense with a focus on the hauling changes and trailers that might be needed. There is a need to get more information on single stream/single sort recycling and the data is coming in. The next meeting will include an engineer to take concerns and develop concepts from the input. Casas asked who Jim was working with and he disclosed it was Sevee & Mahar. Guerra is also speaking with CES in Brewer to discuss the work as Sevee & Mahar may not be the best fit for transfer station design. Ford suggested that a meeting be held to begin developing a comprehensive facility plan because by late fall budgetary concerns need to be addressed and all members need to be engaged in the discussion to work on this. Guerra supported Ford's statement and will put something together before the May workshop meeting with the engineer that he hopes will be well attended. Ford invited the MCWWC to attend as well. Ford allowed a question from McKellar who asked if the previous meetings have minutes available, and she was told only the ones Guerra takes for himself. Ford said it was a fair point that records of the proceeds would be helpful and discussion of taping the meetings was held. Bates added that the Board is a decision making body not the committees so minutes may not be needed. Casas felt Committees direct some actions and agreed other types of Town Committees keep minutes that are posted publically. Ford asked to return to the agenda and to discuss this issue further at a later date.

**F. Review of Audited Working Capital, the Calculations Maintaining Reserve Fund Balances and a Resolution Proposal for the Un-accommodated Labor Contract Payroll and Benefit impacts signed in 2016:**

Guerra provided a breakdown of the adjusted working capital figure which was \$ 766, 647 as of June 30, 2016. He removed 12% reserve, the audited Equipment Reserve funds, The Bag Fee Stabilization Reserve Fund, Accrued Benefit Liability Reserve and Carry Forwards and the final Undesignated Cash Balance for FY 16 was \$182,727.

Guerra asked that due to an un-accommodated labor contract overage for payroll and benefits in the 2017 FY budget he is requesting \$51,000 be used to cover that known to cover \$24,000 on full time labor, \$10,000 in part time labor and \$17,000 in benefits costs. The current budget year did not fund the wages associated with the Labor contract which at the time of budget approval had yet to be signed. In addition, the new position was recently added to address safety and scheduling concerns. The remainder balance of \$131,727 would be placed in the Facility Improvement Fund which is line 148-08 in the budget.

Casas asked if the subtotal will occur again in the current budget (FY17) so more will be taken from the fund over time. Guerra agreed it may affect the FY 17 budget yearend figures as the correction was not known earlier. Ford suggested that the Finance Committee review this issue before funds are moved so that the best presentation of the issue and recommendations can be made to the Board members. He asked for input from the members present. Ford polled the Board and a unanimous consensus was that supported having the Finance Committee review the issue.

**G. Preliminary Thoughts Board Goals for the Fiscal Year beginning July 1, 2017:**

Tom Ford introduced new members to information on the past work done by the Board on setting goals for the Corporation in the fall of 2015. Last fall (2016) Chapman, Lookner, Ford and Guerra met as the Strategic Planning Committee to begin setting some goals for the corporation that were deemed important to put forth at that time. He requests that in early June the board meet collectively as a group and put forward ideas for a work plan for the coming year (FY18) to be reviewed and discussed at the Annual Board meeting in July. A written plan will be helpful to all the members and those that may come on board to guide the corporation. McKellar stated that the work done in the past to begin setting goals was useful. Guerra agreed the written plan helped to outline things that were accomplished since that time.

**H. Review and approval of Board Minutes for March 22, 2017:**

*Tom Ford entertained a motion to approve the minutes of the March 22, 2017 meeting.*

*Owen Casas made motion to approve the minutes of March 22<sup>nd</sup> as written. Barrows seconded. No Discussion. Motion passed 5-0-0*

**I. Executive Session – Attorney Consultation and Legal Rights – 1 M.R.S.A. §405(6) (E)**

*Owen Casas made motion to adjourn the regular meeting of the MCSWC Board of Directors at 9:00 pm and enter into Executive Session to discuss a legal matter under 1 M.R.S.A. 405(6)(E). Barrows seconded. Motion passed 5-0-0.*

**Owen Casas motioned to leave executive session at 9:11pm. Don White seconded. No discussion. Motion passed 5-0-0.**

Chairman Ford reopened the regular meeting of the MCSWC Board of Directors at 9:11pm

*Owen Casas moved to accept the advice and opinion of the Corporations Attorney and the Insurance Company Attorney and instruct the facility manager to communicate to our own Corporate Counsel and Drummond Woodsum Counsel that the Board of Directors of the Mid-Coast Solid Waste Corporation has voted to accept the plaintiffs request for Stipulation of Liability. White seconded. No discussion. Motion passed 5-0-0.*

Meeting was adjourned at 9:13 p.m.

Respectfully Submitted  
Beth Kwiatkowski, Recording Secretary

### **SCHEDULED MEETINGS:**

The Board scheduled the following meetings:

May 24, 2017	Washington Street Conference Room – CTO	7:00 pm
June 28, 2017	Washington Street Conference Room – CTO	7:00 pm

### **Committee Meetings**

TBA