



**MIDCOAST SOLID WASTE CORPORATION
BOARD OF DIRECTORS MEETING
May 27, 2020**

MEMBERS PRESENT: Robert Falciani (Chair) – Camden, Alison McKellar (Treasurer) – Camden, Keryn Laite – Lincolnville, David Barrows (Secretary) – Lincolnville, Wendy Pelletier – Hope, Michael Brown (Vice-Chair) – Hope, Debra Hall – Rockport, Denise Munger – Rockport

MEMBERS ABSENT:

REPRESENTATIVES PRESENT: David St. Laurent, Interim Manager MCSWC, Michael Martunas, Manager MCSWC

Special Guests: Audrey Klein-Leach, Vice President, Sr. Trust Officer Camden National Wealth Management (CNWM) and Patrick White-Thomson, CA, CAIA Vice President, Portfolio Management CNWM

A. PUBLIC/DIRECTOR COMMENT: None

B. CAMDEN NATIONAL WEALTH MANAGEMENT: INVESTMENT STRATEGY DISCUSSION:

Audrey Klein-Leach and Patrick White-Tomson were present to provide a brief overview of how MCSWC investments were tracking. A discussion on the limited risk applications used for municipal fund investment vehicles. White-Thomson walked the Directors through a 12-page report showing the current state of MCSWC investments as they are structured to date. White-Thomson focused discussion on the current fund investment strategy to continue taking a cautious perspective placing the majority of funds in A rated investment vehicles for the short-term nature of the fund growth (under 10 years). Both investors suggested that the Investment Strategy Plan (ISP) for the account be reviewed annually. Klein-Leach and White-Tomson explained setting up longer-term funds for ongoing cost of caring for the landfill by the Corporation can be accomplished but would need a different ISP based on the longevity of the account and other possible investment vehicles in the earning portfolio. Klein-Leach discussed the opportunity for each of the four towns to open a separate unique sub-account investment portfolio; individually owned by each town to fit their financing needs. The accounts would be individually formed under the MCSWC investment; and have no additional charges from CNWM for these services. Again, each investment would require an ISP to create direction for investing the funds and CNWM agreed to draft a suggested ISP for the subject town funds held in reserve.

C. APPROVE MINUTES OF April 29, 2020 MEETING:

Chair Falciani entertained a motion to approve the minutes of April 28, 2020. Keryn Laite moved to approve the meeting minutes of April 29, 2020. Barrows seconded. Discussion followed McKellar requested corrections. Laite moved to amend his motion to approve the minutes as amended. Barrows second stood. No further discussion. Roll Call: Aye's: Pelletier, McKellar, Laite, Munger, Hall, Barrows, & Falciani. No's none. Abstention: Brown due to absence. Motion passed (90.06% in favor and 9.94 abstained and 0 opposed)

D. MANAGER'S REPORT:

- Martunas summarized the Manager's report included in the meeting packet. A discussion on the recycling program was held, all is reported to be going well with social distancing and other updates due to the COVID-19 changes that have been made. Martunas reported that he did replace the collection bins and is accepting mixed-paper and recycling during operating hours to avoid moving the large containers for acceptance of specific material on certain days. Martunas reviewed a list of material currently collected at the facility.
- A sinkhole developed just past the recycling line and is now repaired. The area is being monitored and questions on area sewer lines beneath the paved surface in the area are a concern.
- Household Hazardous Waste Day is contracted with Environmental Projects (EPI) for June 20, 2020 from 12:30pm to 3:00 pm. Advertising will be going out shortly to the public.
- An update on the installation of a new well in the landfill was provided. The newly installed well is viable at a depth of 91.5 ft. and the future monitoring of leachate levels is being developed. Equipment for automated monitoring will be reinstalled while working with Summitt Engineering and the new well casing will be increased an additional six (6) feet.
- Development of a fire suppression system in the landfill is moving forward. The plumbing materials have been secured and the work to put the system in place will be scheduled. In addition to this work, a portable pump for use with the northern end of the quarry is under consideration. McKellar opened a discussion on the water levels of the JQN quarry for use in fire prevention.
- An earthwork project to extend a berm on the western side of the landfill and work on storm water needs is scheduled to begin next week. The work will provide an intermediate cover for fire and DEP regulatory concerns. The project continues the well work and prior plans constructed by engineering firm Sevee & Mahar as part to the landfill development plan in place. This project will allow the wet well area to be filled in and stabilize the landfill area to receive further debris. The cost of the work is estimated at \$9,000 to \$11,000 and will be covered with existing funds from FY20. McKellar opened a brief conversation on the need for a motion to clarify money is being spent to cover new expenses as some year-end

adjustments for the overall budget are known to be needed at this time. McKellar reminded the members that Finance Committee approval on unbudgeted work over \$5,000 is usually required; but conceded that this landfill development project is an ongoing budgeted item and the Manager has historically had authority to oversee this work.

- A fencing project to assist with flyaway trash that ends up in the wood/land surrounding the landfill and compact area is completed. McKellar commented that the work picking up trash at the facility has been great and was sorely needed.
- A new flagpole has been installed in time for Memorial Day and many citizens have provided positive comments since it was erected.
- Martunas is in the process of reviewing several operation manuals for the facility. He is working on revisions and updating these documents and will work with engineering firms and the DEP to get final reviews and stamps when needed.
- Safety Training documentation for all personnel is under review; a program is in place, which needs updating, and training will be undertaken as needed. In addition, recertification or equipment use training will be planned for staff.
- The Fire suppression system in the Recycling building is due for a 5-year flushing test and repair service. This figure was included in the budget for FY21 and a NTE proposal of \$18,000 is contracted with the vendor.
- Sheetrock Price Increase: In an effort to keep pace with a cost neutral policy Martunas is recommending that the price of sheetrock increase to \$112/ton or from 7 cents to 9 cents/lb. beginning on July 1, 2020. The Board was in agreement with this change and notices will go out prior to the date of July 1, 2020.
- Grinding and Mulching Services: Maine Custom Woodland (MCSW) has reached out expressing interest in grinding and mulching services for MCSWC. The site grinder is 20+ years old and requires costly upkeep. Martunas will report to the Board with an update on this subject.
- Denise Munger asked about the restart of composting at the facility. Martunas reported he has not received information from ScrapDogs to restart the program. Martunas is considering composting in Phase II or Phase III of the reopening of the facility. Martunas expressed that a possibility of the new hauler, who has a compost business, working with MCSWC. McKellar stated that the pilot program was going extremely well, and suggested that Martunas reach out to ScrapDogs for information and if they are not available then peruse other information. Falciani noted that the current agreement with ScrapDogs is expired, but agreed the program was going well.
- RHR Smith has completed the FY19 Financial Audit Statement for MCSWC. A lengthy discussion took place on the possibility of putting out an RFP for a new auditing firm for MCSWC. McKellar noted the Finance Committee was considering recommending an RFP be done, as there has been frustration with the current auditing service. A brief discussion on

the timing of this change with regard to annual budget processes and start times for the FY20 audit. Hall explained the recent changes for the Town of Rockport and offered to forward information to Martunas for review. Falciani asked who should lead the RFP. Hall suggested the By-Laws be reviewed, and an RFP be constructed by Martunas for consideration by the Board at the next meeting.

E. HAULING CONTRACTOR RFP/RFQ: BOARD DISCUSSION:

Martunas has received three (3) proposals from an RFP/RFQ that was sent out earlier this year by St. Laurent. A more in depth spreadsheet has been developed and is available for review of the search criteria and results. Martunas expressed there was a great cost savings to MCSWC with the presented figures from the RFP information and provided figures that support a contract change. A new contract will likely include rates that may vary after 6 months' time, needed to secure a permanent driver from the area. Additionally, the new hauling vendor may be investing in new containers and that criteria will need to be worked into a contract that would be equal to a 5 or 10 year contract term based on the RFP. Martunas stated the contract would be tied to an annual CPI increase and possible fuel pricing adjustments annually. St. Laurent suggested locking in a contract for the longest term possible but not less than 10 years as proven savings occur with most long-term contracts. A six to eight week lead-time will occur between the current hauler and new contracted hauler. Barrows asked if the contract term should be 10 years to coincide with the landfill closure. Pelletier asked if a 5-year contract would allow for overview of the service with renewals built in ensuring satisfaction with service. A discussion on the contract process with regard to the maximum term allowed to be executed by the Board, area Select Board roles, voters requirements if the term exceeds 10 years and the overall contracting process was held.

McKellar suggested that the Board authorize management to begin as soon as possible to enter into negotiations with the selected vendor; using the RFP information as a guide and that the Corporate Attorney be consulted as well as the Governance Committee if needed and that the work be brought back to the Board for approval by the Manager. St. Laurent added that the contract would need to contain information on terms and renewals, as the hauler will likely be constructing additional agreements to purchase equipment following the initial contract signing. Falciani asked Martunas to distribute the RFP information spreadsheet to the membership.

McKellar moved to approve Haskell as our prospective hauler; and that the Manager immediately begin contract discussions with that vendor for a term of no less than three years; using the RFP information as a guide with input from the Corporate Attorney and the Governance Committee as needed and to bring the information back to the Board for consideration. Debra Hall seconded. No discussion. Roll Call: Aye's: McKellar, Laite, Munger, Hall, Brown, Barrows, & Falciani. No's none. Abstention: Pelletier. Motion passed (90.06% in favor and 9.94 abstained and 0 opposed)

NOTE: Falciani added that the June meeting should begin a discussion on the progress of MSW alternatives and a discussion on ecomaine.

F. FINANCE COMMITTEE:

Falciani and McKellar discussed the need to keep an eye on the budget for the remainder of the fiscal year. There are significant additional costs pending for the facility. McKellar highlighted these costs have been known to the Finance Committee and the Board but are not final.

G. FINANCIALS:

McKellar noted that the financials provided were current but that there are budgeted items that are outstanding and will be payable by the fiscal year end. McKellar asked that a listing of the larger known items, like leachate invoices, bag purchases and annual funding transfers be reviewed/highlighted prior to the end of the year in the coming weeks.

Falciani noted that the June Board of Director Meeting Agenda would include a review of the facility-pricing sheet for the upcoming fiscal year.

H. ADJOURN:

Chair Falciani entertained a motion to adjourn the meeting at 8:43 pm. David Barrows moved to adjourn. McKellar seconded. No Discussion. Roll Call: Aye's: Barrows, Laite, McKellar, Pelletier, Brown, Munger, Hall & Falciani. No's none. Motion approved unanimously 8-0-0.

Respectfully Submitted,

Beth Kwiatkowski
Recording Secretary

SCHEDULED MEETINGS:

Board of Directors Meetings:

June 24, 2020 meeting, 6:30 pm via a remote meeting.

Executive Committee Meeting TBD

Committee Meetings:

Finance: TBD

Governance: 5:00 PM – May 27, 2020

Personnel: TBD

Strategic & Capitol Planning: TBD

Waste Watch Committee: Thursdays following MCSWC Board Meeting at 12:30 pm