



Memorandum

DATE: January 13, 2011
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, General Manager
SUBJECT: Agenda for the Board of Directors Meeting

There is an **ecomaine Board Meeting** scheduled for **Thursday, January 20, 2011 at 4:00 p.m.** The agenda for this meeting is as follows:

1. Approval of the October 21, 2010 Board Meeting minutes (*Attachment A*)
2. Finance Committee Report – Jim Gailey, Chairman
3. Audit Committee Report – Gary Foster, Chairman
4. Recycling Committee Report – Troy Moon, Chairman
5. Manager's Report
 - Statement of Revenue and Expenses (*Attachment B*)
 - Tonnage Reports (*Attachments C-1, C-2, C-3, C-4, C-5*)
 - Electrical Revenues (*Attachment D*)
 - Operations
 - Legislative Update
 - Environmental Update
 - Stack Test Results
 - Grant application for a study on managing food waste and other organic material
6. RFP Results - Power Purchase Agreement
7. Approval of Amendments to By-Laws (*Attachment E*)
8. Other Items
9. Future Meetings
 - Recycling Committee: January 26th (*Wednesday*) @ 4:00PM.
 - Executive Committee: February 17th (*Thursday*) @ 4:00PM.
 - Recycling Committee: February 23rd (*Wednesday*) @ 4:00PM.
 - Full Board (Budget Presentation): March 17th (*Thursday*) @ 4:00PM.
 - Recycling Committee: March 23rd (*Wednesday*) @ 4:00PM.
 - Budget Workshop & Finance Committee: March 24th (*Thursday*) @ 4:00PM.
 - Full Board Meeting (Budget Approval): April 21st (*Thursday*) @ 4:00PM.
 - Recycling Committee: April 27th (*Wednesday*) @ 4:00PM.



Owner Communities

Bridgton
Cape Elizabeth
Casco
Cumberland
Falmouth
Freeport
Gorham
Gray
Harrison
Hollis
Limington
Lyman
North Yarmouth
Ogunquit
Portland
Pownal
Scarborough
South Portland
Waterboro
Windham
Yarmouth

Associate Members

Baldwin
Hiram
Naples
Parsonsfield
Porter
Saco
Standish

Contract Members

Andover
Cornish
Harpwell
Livermore Falls
Manchester
Monmouth
Old Orchard Beach
Poland
Readfield
Sanford
Wayne

DATE: October 25, 2010
TO: Chair and Members of the Board
FROM: Kevin H. Roche, General Manager
SUBJECT: Minutes of 10/21/10 **ecomaine** Board Meeting

There was an **ecomaine** Board Meeting on Thursday, October 21, 2010, at the Waste-to-Energy facility. With a quorum, the meeting was called to order by the Chair at 4:12PM.

There were ten items on the Agenda:

1. Approval of the June 17, 2010 Annual Board Meeting minutes
2. Audit Committee Report
3. Finance Committee Report
4. Recycling Committee Report
5. Amendment to By-Laws
6. Manager's Report
7. Legislative Update on LD1720
8. Ash Fill Metals Mining Proposal
9. Other Items
10. Future Meetings

Item #1 – Approval of the June 17, 2010 Annual Board Meeting Minutes

Mr. Van Gaasbeek moved “to approve the minutes of the June 17, 2010 Annual Board meeting.” The motion was seconded by Mr. McGovern and passed with only Mr. Frank abstaining (as he was appointed to the Board by the Town of Harrison on October 5, 2010).

Item #2 – Audit Committee Report

Mr. Foster, Chairman of the Audit Committee, reported that the Audit Committee had last met on September 29, 2010.

At that meeting, Ms. Kathleen Tyson and Mr. Peter Way of Runyon Kersteen Ouellette reviewed the 'Draft Audit Report', dated 9/29/10, with the Committee.

The Audit Committee, at that time, accepted the Audit Report (with some minor text changes).

Audit Presentation by Kathleen Tyson and Peter Way of Runyon Kersteen & Ouellette (RKO)

RKO handed out a graph presentation of the Financial Statements to the Board members and gave an overview of this information. Mr. Regier requested that a pdf version of this presentation be sent to all Board Members.

Some of the highlights of this information: Total Outstanding Debt has steadily fallen since 2006 and only one "Designated Account" remains (after last year's changes) and that is the Capital Reserve Account. (RKO had previously mentioned that **ecomaine** had approximately 135 separate capital asset accounts in its general ledger and might want to consolidate these in order to make the general ledger easier to review – which was accomplished.)

The graph entitled "Municipal Assessments and Tipping Fees" includes tip fees from all sources.

RKO stated that it was a clean audit and went smoothly.

They reiterated that at the last Audit Committee Meeting, they mentioned that it may be time for a new appraisal on the Gorham property as the last one was completed in 2005, which makes it difficult to verify the actual value of the property today. It was also noted that even though **ecomaine** is not selling the Gorham property, it has no impact on our figures.

The final versions of the Financial Statements/Audit (in report form) will be received shortly from RKO.

Mr. Moon then made a motion that the Board accepts the Audit Committee's recommendation to approve the Audit. The motion was seconded by Mr. Van Gaasbeek and passed with a unanimous vote of the Board.

Item #3 – Finance Committee Report

Mr. Gailey, Chairman of the Finance Committee, reported that the Finance Committee last met earlier today, just prior to the Board Meeting.

The Committee reviewed the "Statement of Revenue and Expenses for the Three Months Ending September 30, 2010". Revenues, less expenses, are at \$1,000,000 favorable to budget. They also reviewed the September, 2010 Financial Statements.

On July 1, 2010, **ecomaine** made a bond payment which leaves \$11.2 million remaining on the bond debt. Next July, **ecomaine** will make another payment.

In August of 2010, **ecomaine** paid off its' term loan.

The Committee also discussed moving forward with the renovation of the first floor conference room. Costs could exceed \$200,000. The room is often used for large audiences for school tours, events and conferences. The current space can't accommodate the number of people we have visiting and the washroom facilities are inadequate.

Approval of the Cash Reserve Policy

At the Finance Committee Meeting on June 15th of this year, the Committee voted to recommend this policy to the Executive Committee and then to the full board at the appropriate time. The Executive Committee, at its' September 16, 2010 meeting, accepted the recommendation from the Finance Committee regarding Cash Reserve Policies.

Mr. Roche stated the amendment to this policy - from the Finance Committee Meeting that preceded the Board Meeting - requests that the policy be amended by adding "Interest earned on reserve accounts shall accrue to the respective reserve account". This would now become Section D.

Approval of Assessments

At the last Executive Committee Meeting on September 16, 2010, the Executive Committee passed a motion to accept the Finance Committee's recommendation to propose to the Board that assessments be kept at \$77.05. Two proposals were considered (see table below):

<u>Proposal</u>	<u>Assessment</u>	<u>Savings to Town</u> (revenue loss to ecomaine)
1. Freeze cost per ton @ \$80.00	\$4,612,184	\$66,470
2. Freeze cost per ton @ \$77.05	\$4,442,110	\$236,544

As opposed to Proposal #1, Proposal #2 provides a benefit ("assessment reduction") to all the communities.

Mr. Bobinsky called for a vote on the Cash Reserve Policy and the Proposal #2 Assessment.

Mr. Van Gaasbeek made a motion that the Cash Reserve Policy, as amended by the Finance Committee earlier on October 21, 2010, be approved by the Board. The motion was seconded by Mr. Brobst and passed with a unanimous vote of the Board.

Mr. Van Gaasbeek then made a motion to recommend Proposal #2 be used for FY '12 assessments. The motion was seconded by Mr. Miller and passed with a unanimous vote of the Board.

Item #4 – Recycling Committee Report

Mr. Moon, Chairman of the Recycling Committee, reported that the Recycling Committee last met on October 6, 2010.

He reported that the Recycling Open House this year was a morning event, which was very successful.

The Committee is also working on an e-bulletin board to share recycling ideas amongst **ecomaine** towns.

A \$500 state grant received by the Recycling Committee will be used to provide the Town of Limington assistance with recycling bins and increasing recycling in their town.

By January 1, 2011, a new CFL bulb policy report should be issued by the State of Maine.

ecomaine is having a contest for local high school and college students to design/decorate the recycling silver bullets.

Item #5 – Amendment to the By-Laws

Mr. Roche noted that there were two changes we were asked to make regarding the By-Laws.

The first change, under - Article IV, Board of Directors, Section 6 (Powers and Function) - is adding to the Board's functions and duties:
g. election of members and alternate members of the Recycling Committee.

The second change, under - Under Article V, Executive Committee, Section 1 (Composition and Eligibility) – is:
a. (defining) Executive Committee voting interests.

Mr. Van Gaasbeek made a motion to accept the changes/revisions to ecomaine's by-laws as presented. The motion was seconded by Mr. Regier.

After further discussion of the by-laws, **Mr. Van Gaasbeek withdrew the motion.**

The Board decided to table Item #5 – Amendment to By-Laws, for a future agenda item for a meeting (to be announced) during the next quarter.

Mr. Roche said he would incorporate the changes and then send out the By-Laws for the Board's approval before the next Board Meeting.

Item #6 – Manager's Report

Statement of Revenue and Expenses and Tonnage Reports

Mr. Roche reviewed the Statement of Revenue and Expenses and Tonnage Reports. While our residential waste tons are down, our commercial tons are increasing.

Electrical revenues

September, 2010, availability was 94%, which is very good. There was some downtime due to tube ruptures.

Environmental Update

ecomaine had received a violation from the Maine DEP last fall. Operations made some upgrades and in June of 2010, **ecomaine** conducted a voluntary in-house stack test for lead, cadmium, mercury and particulate matter and the results were favorable. The intent in doing this voluntary test was to ensure that our upgrades are in working order.

ecomaine has put forth a proposal for an SEP (Supplemental Environmental Project) to be funded by the fine in lieu of simply paying a fine to the DEP. We are awaiting their decision.

Our Annual Maine DEP Stack Test will begin during the first week of November, 2010.

ecomaine has once again maintained its ISO14001 designation.

Item #7 – Legislative Update on LD1720 – Proposal by the Maine Waste-to-Energy Facilities

Mr. Roche reviewed Handout #2 – LD1720, with the Board. He noted that by February of 2011, the Office of Energy Independence should come out with a report regarding this legislation. When we receive this report, we will forward it to the Board.

Item #8 – Ash Fill Metals Mining Proposal

Mr. Roche passed around an updated Attachment H – Postburn Ferrous Metals Mining and Reclamation – ecomaine Ash Landfill. He noted that earlier this month, he and Tom Raymond of **ecomaine** visited the Reserve Management Group's (RMG) site in Florida. RMG is the only company that is interested in paying us for ferrous and non-ferrous metals mined from the ashfill. At this point, the project is conceptual. The benefit to **ecomaine** could be anywhere from \$0 to \$500,000; however, if the market for this material goes down, the project would be supported.

Ms. Rodden stated that she would like to have staff contact the Florida state regulators regarding RMG. Mr. Roche stated staff would do so.

Mr. Brobst made a motion to let the Executive Committee, in conjunction with ecomaine staff, finalize details of an RMG Agreement. The motion was seconded by Van Gaasbeek and passed with a unanimous vote of the Board.

Mr. Raymond then gave an update of the recirculation project. He will have a full report on this in three months.

Mr. Brobst made a motion to adjourn the meeting. The motion was seconded by Mr. Van Gaasbeek and all were in favor. The meeting adjourned at 6:05PM.

PRESENT:

M. Bobinsky
L. Boudreau
A. Bradstreet
D. Brobst
D. Doughty
G. Foster
M. Frank
J. Gailey
M. Johnson
S. McGinty
M. McGovern
J. Miller
N. Miner
T. Moon
R. Regier
B. Rodden
M. Shaw
P. Smith
M. St. Clair
L. Van Gaasbeek

ABSENT:

R. Ahlquist
J. Anton
E. Bickford
J. Gray
P. Jordan
N. Mavodones
D. Morton
T. Plante
D. Woodsome

Other: William Shane, Town Manager, Town of Cumberland.
Erik Street, Director of Public Works, Town of Yarmouth.
Kathleen Tyson & Peter Way of Runyon Kersteen Ouellette.

Staff: A. Birt, S. Dunn, A. Hewes, T. Raymond, K. Roche and L. Trufant.

ecomaine
Statement of Revenues & Expenses - December 2010

\$000's

	December			December Year To Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Operating revenues						
Municipal assessments	\$ 390	\$ 390	\$ -	\$ 2,339	\$ 2,339	\$ -
Owners tipping fees	363	346	17	2,305	2,078	227
Associate tipping fees	71	82	(11)	421	493	(72)
Commercial tipping fees	469	391	78	2,972	2,343	629
Spot market tipping fees	159	175	(16)	1,180	1,050	130
Electrical generating revenues	570	559	11	3,521	3,263	258
Sales of recycled goods	362	188	174	1,731	1,125	606
Recycling tipping fees	4	2	2	13	12	1
Gorham property assessments	9	9	-	55	55	-
Other operating income	15	20	(5)	135	123	12
Total operating revenues	2,412	2,162	250	14,672	12,881	1,791
Operating expenses						
Administrative expenses	170	207	(37)	1,191	1,241	(50)
Waste-to-energy operating expenses	710	646	64	3,726	3,956	(230)
Recycling operating expenses	141	131	10	790	789	1
Landfill/ashfill operating expenses	69	129	(60)	691	776	(85)
Contingency	-	21	(21)	1	125	(124)
Landfill closure and postclosure care costs	-	-	-	-	-	-
Post-retirement benefit	-	-	-	-	-	-
Depreciation & amortization	325	333	(8)	1,950	2,000	(50)
Total operating expenses	1,415	1,467	(52)	8,349	8,887	(538)
Net operating income	997	695	302	6,323	3,994	2,329
Non-operating income (expense)						
Interest income	3	4	(1)	14	25	(11)
Interest expense	(40)	(63)	23	(234)	(376)	142
Net non-operating	(37)	(59)	22	(220)	(351)	131
Total revenue less expenses	\$ 960	\$ 636	\$ 324	\$ 6,103	\$ 3,643	\$ 2,460

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 Tonnage Comparison
 December 2010 FY YTD

	<u>Dec</u>	<u>Budget</u>	<u>To Budget</u>	<u>Variance</u>	<u>%</u>	<u>Prior Year</u>	<u>Change from</u>	<u>%</u>
						<u>Year</u>	<u>Prior Year</u>	<u>Variance</u>
Member Residential	32,235	30,275	1,960	6%	33,785	(1,549)	-5%	
Commercial	33,693	26,630	7,064	27%	30,702	2,991	10%	
Spot	22,637	25,000	(2,363)	-9%	39,157	(16,520)	-42%	
Recycling	18,707	16,650	2,057	12%	16,808	1,899	11%	
Totals	107,273	98,555	8,718	9%	120,452	(13,179)	-11%	



MONTHLY TOTAL MSW TONNAGES (INCLUDING SPOT MARKET)

	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
JUL	16,341	15,971	15,090	16,584	17,704	17,084	16,933	14,826	16,738	15,574	13,271	14,483	15,315	13,902	15,024	14,948	15,964	18,856	16,038
YTD	16,341	15,971	15,090	16,584	17,704	17,084	16,933	14,826	16,738	15,574	13,271	14,483	15,315	13,902	15,024	14,948	15,964	18,856	16,038
AUG	16,021	16,916	17,350	16,694	16,903	15,981	16,859	15,439	16,555	16,099	13,676	14,573	15,303	14,809	17,796	15,708	14,540	17,702	15,384
YTD	32,362	32,887	32,440	33,278	34,607	33,065	33,792	30,265	33,294	31,673	26,947	29,056	30,618	28,710	32,821	30,655	30,503	36,558	31,422
SEP	15,430	16,019	15,681	13,256	14,659	16,074	16,723	15,545	11,257	13,511	14,072	15,199	14,559	13,412	16,300	12,268	13,757	17,563	14,435
YTD	47,792	48,906	48,121	46,534	49,266	49,139	50,515	45,811	44,550	45,185	41,020	44,254	45,177	42,122	49,120	42,923	44,260	54,121	45,858
OCT	14,674	15,089	13,685	12,590	16,869	15,292	15,158	13,098	12,397	14,535	13,188	15,251	14,246	15,000	14,856	13,778	13,717	17,703	14,411
YTD	62,466	63,995	61,807	59,123	66,135	64,431	65,673	58,908	56,948	59,720	54,207	59,505	59,423	57,122	63,976	56,701	57,977	71,824	60,269
NOV	13,395	14,248	13,146	14,852	14,797	12,866	12,958	14,927	13,575	13,452	12,760	12,762	14,358	15,380	14,081	13,540	12,231	15,161	14,459
YTD	75,860	78,243	74,953	73,976	80,932	77,297	78,632	73,835	70,523	73,172	66,967	72,267	73,781	72,502	78,057	70,242	70,208	86,985	74,728
DEC	13,693	14,122	13,224	14,821	15,516	14,386	14,587	15,168	12,985	13,045	12,618	14,628	14,503	14,015	14,366	12,407	13,562	16,658	13,838
YTD	89,554	92,365	88,177	88,796	96,448	91,683	93,218	89,003	83,508	86,217	79,584	86,895	88,284	86,517	92,423	82,649	83,770	103,644	88,566
JAN	12,060	11,853	12,733	15,994	14,919	13,576	14,184	12,933	13,284	12,824	12,724	12,534	14,619	14,117	14,134	13,657	11,543	13,815	-
YTD	101,614	104,218	100,910	104,791	111,367	105,258	107,402	101,936	96,792	99,041	92,308	99,429	102,902	100,634	106,557	96,306	95,313	117,459	88,566
FEB	10,431	11,207	13,599	14,626	13,554	12,061	13,646	12,240	11,508	10,712	10,883	11,106	13,928	13,307	11,000	13,404	11,454	12,554	-
YTD	112,044	115,425	114,509	119,416	124,921	117,319	121,048	114,176	108,300	109,753	103,191	110,535	116,830	113,941	117,557	109,711	106,766	130,012	88,566
MAR	13,525	13,935	15,021	12,822	15,219	13,769	14,628	14,479	13,152	11,883	11,807	13,182	14,690	15,143	11,904	12,189	12,587	15,734	-
YTD	125,570	129,359	129,530	132,239	140,139	131,088	135,676	128,655	121,452	121,636	114,998	123,717	131,521	129,084	129,461	121,900	119,354	145,746	88,566
APR	15,994	14,678	12,883	13,515	16,570	15,575	14,731	13,525	13,634	13,041	12,790	13,259	13,514	11,359	12,060	11,513	13,962	13,059	-
YTD	141,564	144,037	142,413	145,754	156,709	146,663	150,407	142,180	135,086	134,677	127,788	136,977	145,035	140,444	141,520	133,414	133,316	158,806	88,566
MAY	15,267	15,217	14,440	16,759	16,332	14,564	14,805	16,655	14,413	13,476	12,898	13,635	13,824	13,641	13,334	12,027	15,343	12,949	-
YTD	156,831	159,254	156,853	162,513	173,041	161,227	165,212	158,834	149,499	148,154	140,686	150,612	158,859	154,085	154,854	145,440	148,659	171,755	88,566
JUN	16,277	15,579	16,602	15,296	15,815	15,777	14,952	16,072	14,604	12,071	12,747	15,328	14,348	14,258	12,556	14,870	15,997	15,770	-
	173,107	174,833	173,454	177,809	188,856	177,004	180,164	174,906	164,103	160,224	153,433	165,940	173,207	168,343	167,410	160,310	164,656	187,525	88,566

MONTHLY TOTAL RECYCLING TONNAGES

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
JUL	288	323	497	534	593	667	667	732	1,086	1,174	1,440	1,392	1,670	1,536	1,802	1,964	2,213	2,776	2,761	3,218
YTD	288	323	497	534	593	667	667	732	1,086	1,174	1,440	1,392	1,670	1,536	1,802	1,964	2,213	2,776	2,761	3,218
AUG	283	350	507	633	669	717	631	681	1,161	1,335	1,549	1,380	1,611	1,726	2,157	2,285	2,395	2,730	2,637	3,219
YTD	571	673	1,004	1,166	1,263	1,384	1,298	1,414	2,246	2,510	2,989	2,773	3,281	3,262	3,959	4,249	4,607	5,506	5,398	6,437
SEP	282	374	546	606	660	682	741	828	1,175	1,217	1,474	1,420	1,837	1,742	2,118	2,079	2,046	2,868	2,722	3,161
YTD	853	1,048	1,550	1,773	1,923	2,066	2,039	2,241	3,422	3,727	4,463	4,193	5,118	5,004	6,076	6,328	6,653	8,374	8,119	9,598
OCT	326	339	516	609	677	731	693	772	1,014	1,290	1,998	1,667	1,801	1,593	1,993	2,295	2,357	2,783	2,827	2,917
YTD	1,179	1,387	2,067	2,382	2,600	2,797	2,732	3,014	4,435	5,017	6,462	5,860	6,919	6,597	8,069	8,622	9,010	11,157	10,946	12,515
NOV	282	337	543	626	688	688	621	824	1,147	1,316	1,750	1,596	1,483	1,744	2,199	2,278	2,256	2,334	2,663	3,050
YTD	1,461	1,724	2,610	3,008	3,288	3,485	3,553	3,838	5,582	6,334	8,212	7,457	8,402	8,342	10,268	10,900	11,266	13,491	13,609	15,565
DEC	321	389	514	599	683	807	795	835	1,178	1,341	1,764	1,842	1,919	1,937	2,257	2,166	2,363	2,937	3,199	3,142
YTD	1,782	2,113	3,124	3,607	3,972	4,292	4,149	4,672	6,761	7,675	9,976	9,298	10,321	10,279	12,525	13,067	13,629	16,428	16,808	18,707
JAN	271	360	444	557	608	633	607	673	910	1,368	1,707	1,765	1,467	1,657	2,115	2,068	2,565	2,441	2,686	-
YTD	2,053	2,473	3,568	4,164	4,580	4,924	4,755	5,345	7,670	9,043	11,683	11,064	11,788	11,936	14,639	15,135	16,194	18,870	19,494	18,707
FEB	244	311	465	452	523	619	606	616	946	1,085	1,548	1,396	1,395	1,497	1,689	1,634	2,139	2,096	2,290	-
YTD	2,297	2,784	4,033	4,616	5,103	5,543	5,361	5,961	8,616	10,127	13,231	12,459	13,183	13,433	16,329	16,769	18,333	20,966	21,784	18,707
MAR	276	437	513	570	584	617	672	751	1,063	1,098	1,459	1,572	1,629	1,775	2,017	1,824	2,258	2,354	2,998	-
YTD	2,573	3,220	4,546	5,186	5,688	6,160	6,033	6,713	9,679	11,226	14,691	14,031	14,812	15,208	18,346	18,592	20,591	23,320	24,782	18,707
APR	319	517	549	539	668	677	671	752	1,001	1,220	1,639	1,711	1,524	1,627	1,832	1,872	2,364	2,396	2,876	-
YTD	2,892	3,738	5,095	5,725	6,355	6,837	6,705	7,465	10,679	12,446	16,329	15,742	16,336	16,835	20,177	20,464	22,955	25,716	27,658	18,707
MAY	316	489	548	672	699	639	707	765	1,194	1,311	1,714	1,733	1,576	1,878	2,224	2,279	2,517	2,280	2,814	-
YTD	3,208	4,227	5,643	6,396	7,054	7,476	7,412	8,230	11,873	13,757	18,044	17,475	17,913	18,713	22,402	22,743	25,471	27,996	30,472	18,707
JUN	352	524	584	655	625	661	753	807	1,234	1,348	1,453	1,784	1,684	2,021	2,208	2,141	2,460	2,728	3,168	-
	3,560	4,750	6,226	7,051	7,679	8,136	8,165	9,037	13,108	15,105	19,497	19,259	19,597	20,734	24,610	24,884	27,931	30,723	33,640	18,707

ANALYSIS OF ALL TONS												
FY 2011 Year to Date as of 12/31/10												
Owner, Associate, & Contract Members - Waste Community	FY 6/30/10		FY 6/30/11		over/(under)		All Recycle Material		Commercial Waste		Total all Sources	
	FY 6/30/10	FY 6/30/11	FY 6/30/10	FY 6/30/11	over/(under)	over/(under)	FY 6/30/10	FY 6/30/11	over/(under)	FY 6/30/10	FY 6/30/11	over/(under)
Bridgton	1,254	1,261	7	315	351	36	-	0	0	1,569	1,612	43
Cape Elizabeth	1,389	1,363	(26)	592	692	100	41	34	(7)	2,022	2,089	67
Casco	497	482	(14)	112	186	74	422	270	(152)	1,030	938	(92)
Cumberland	894	826	(69)	370	464	94	121	70	(51)	1,385	1,360	(25)
Falmouth	1,151	1,071	(81)	892	894	2	304	313	10	2,347	2,278	(69)
Freeport	1,019	865	(154)	233	276	43	886	757	(129)	2,137	1,897	(239)
Gorham	1,132	1,083	(49)	674	636	(38)	868	893	25	2,674	2,612	(62)
Gray	1,342	1,377	34	-	-	-	6	29	23	1,348	1,405	57
Harrison	543	515	(28)	103	118	14	-	-	-	646	633	(13)
Hollis	502	498	(5)	167	164	(3)	149	144	(6)	818	805	(13)
Limington	895	825	(70)	55	56	2	3	22	18	953	903	(50)
Lyman	606	578	(28)	128	120	(8)	13	10	(3)	748	709	(39)
North Yarmouth	305	289	(16)	282	252	(30)	2	2	1	588	543	(45)
Ogunquit	408	374	(34)	58	47	(11)	-	13	13	466	433	(32)
Portland	5,354	5,149	(205)	2,559	2,698	139	21,860	22,004	144	29,772	29,851	79
Pownal	119	88	(32)	73	85	12	21	11	(10)	213	184	(29)
Scarborough	2,881	2,808	(73)	1,451	1,471	20	818	2,069	1,251	5,151	6,349	1,198
South Portland	3,608	3,204	(404)	1,251	1,323	72	2,726	4,575	1,850	7,585	9,103	1,518
Waterboro	1,284	936	(348)	232	287	55	91	251	160	1,607	1,474	(133)
Windham	1,155	1,083	(72)	819	838	19	1,393	1,335	(59)	3,368	3,256	(112)
Yarmouth	1,270	1,169	(101)	468	537	69	479	622	144	2,217	2,328	112
Owner Member Total	27,607	25,842	(1,765)	10,834	11,496	662	30,202	33,424	3,223	68,643	70,763	2,119
Baldwin	291	282	(9)	16	15	(1)	-	2	2	307	300	(7)
Hiram	291	278	(13)	16	22	6	45	2	(43)	352	302	(50)
Naples	608	589	(19)	136	78	(58)	30	16	(14)	774	683	(91)
Parsonsfield	504	355	(148)	47	56	9	12	9	(3)	562	420	(142)
Porter	291	282	(9)	16	15	(1)	15	8	(7)	322	305	(17)
Saco	2,623	2,644	21	899	944	45	39	16	(24)	3,562	3,604	42
Standish	1,570	1,579	9	373	340	(33)	360	138	(222)	2,302	2,057	(246)
Associate Member Total	6,178	6,010	(167)	1,503	1,469	(34)	500	191	(310)	8,181	7,670	(511)
Andover	-	-	-	-	11	11	-	-	-	-	11	11
Cornish	-	-	-	20	23	3	-	-	-	20	23	3
Harpswell	177	177	0	-	-	-	79	79	0	-	255	255
Jay	-	-	-	-	-	-	-	-	-	-	-	-
Livermore Falls	158	158	0	143	143	0	-	-	-	-	301	301
Limerick	-	-	-	-	-	-	-	-	-	-	-	-
Manchester	-	-	-	21	21	0	-	-	-	-	21	21
Monmouth	-	-	-	171	144	(28)	-	-	-	171	144	(28)
North Haven	-	-	-	-	-	-	-	-	-	-	-	-
Old Orchard Beach	-	-	-	144	144	0	-	-	-	-	144	144
Poland	-	-	-	230	214	(16)	-	-	-	230	214	(16)
Readfield	-	-	-	47	47	0	-	-	-	-	47	47
Sanford	48	48	0	526	526	0	-	-	-	-	574	574
Wayne	-	-	-	-	-	-	-	-	-	-	-	-
Contract Member Total	-	383	383	421	1,271	850	-	79	79	421	1,733	1,311
All Member Total	33,785	32,235	(1,549)	12,758	14,237	1,478	30,702	33,693	2,991	77,246	80,165	2,920
Spot Market Waste	-	-	-	-	-	-	39,157	22,637	(16,520)	39,157	22,637	(16,520)
Commercial Recycle	-	-	-	4,049	4,470	421	69,859	56,331	(13,528)	4,049	4,470	421
Total All tonnage	33,785	32,235	(1,549)	16,808	18,707	1,899	100,020	102,654	(2,634)	120,452	107,273	(13,179)



FY '11 Tonnages to Date Compared to 5-Year Averages

	07/31/10	08/31/10	09/30/10	10/31/10	11/30/10	12/31/10
TOTAL COMMERCIAL WASTE	(550)	(1,274)	(2,131)	(3,037)	(3,515)	(3,906)
TOTAL MUNICIPAL WASTE	(839)	(1,857)	(2,487)	(3,502)	(3,591)	(3,875)
TOTAL SPOT MARKET	1,688	2,704	3,966	5,288	6,236	6,547
TOTAL MSW	300	(427)	(651)	(1,251)	(870)	(1,234)
RECYCLING	914	1,693	2,488	2,953	3,267	4,216
TOTAL ALL MATERIAL	1,214	1,266	1,836	1,702	2,397	2,981

Waste-to-energy Facility Electricity Generation

Generation Period	Availability	On Peak	Off Peak	Total KWHs	On Peak Rate	Off Peak Rate	Revenues
Dec-08	95%	3,571,380	4,122,251	7,693,389	\$0.0836	\$0.0656	\$610,774
Jan-09	90%	2,945,020	3,802,363	6,747,383	\$0.0971	\$0.0773	\$621,560
Feb-09	97%	3,104,417	3,511,712	6,616,129	\$0.0982	\$0.0772	\$617,901
Mar-09	78%	2,648,993	2,960,993	5,609,986	\$0.0831	\$0.0667	\$462,656
Apr-09	66%	2,804,854	2,650,600	5,455,450	\$0.0723	\$0.0544	\$392,288
May-09	94%	3,527,939	4,518,672	8,046,611	\$0.0702	\$0.0534	\$534,616
Jun-09	91%	3,526,138	3,667,987	7,194,125	\$0.0762	\$0.0552	\$520,495
Jul-09	95%	3,807,050	3,690,597	7,497,647	\$0.0850	\$0.0614	\$599,850
Aug-09	99%	3,716,120	4,638,122	8,354,242	\$0.0843	\$0.0618	\$650,030
Sep-09	98%	3,606,261	4,364,408	7,970,669	\$0.0730	\$0.0556	\$555,761
Oct-09	95%	3,827,493	4,072,705	7,900,198	\$0.0740	\$0.0562	\$561,672
Nov-09	94%	3,569,156	4,120,551	7,689,707	\$0.0770	\$0.0592	\$568,778
Dec-09	98%	3,811,497	4,354,948	8,166,445	\$0.0836	\$0.0656	\$653,855
Jan-10	98%	3,310,034	4,482,631	7,792,665	\$0.0971	\$0.0773	\$717,439
Feb-10	95%	3,038,210	3,650,447	6,688,657	\$0.0982	\$0.0772	\$629,756
Mar-10	96%	3,668,101	3,741,131	7,409,232	\$0.0831	\$0.0667	\$612,036
Apr-10	61%	1,897,314	2,169,219	4,066,533	\$0.0723	\$0.0544	\$312,336
May-10	93%	3,407,537	4,431,390	7,838,927	\$0.0702	\$0.0534	\$533,701
Jun-10	93%	3,787,872	3,946,891	7,734,763	\$0.0762	\$0.0552	\$552,430
Jul-10	96%	3,451,635	4,510,803	7,962,438	\$0.0850	\$0.0614	\$616,555
Aug-10	98%	3,880,733	4,478,367	8,359,100	\$0.0843	\$0.0618	\$650,513
Sep-10	94%	3,536,806	4,092,807	7,629,613	\$0.0730	\$0.0556	\$531,986
Oct-10	99%	3,684,282	4,715,036	8,399,318	\$0.0740	\$0.0562	\$583,762
Nov-10	93%	3,482,344	3,838,460	7,320,804	\$0.0770	\$0.0592	\$541,771
Dec-10	96%	3,502,186	3,882,453	7,384,639	\$0.0836	\$0.0656	\$592,910
Jan-11					\$0.0971	\$0.0773	

Electric revenues include renewable energy credits and installed capacity payments

rl 11-10-10

BY-LAWS

OF

ecomaine

ARTICLE I

Name, Principal Office, Corporate Seal

Section 1. Name. The name of the Corporation shall be ECO Maine (hereinafter referred to as the "Corporation"). The Corporation may do business in the name of "ecomaine."

Section 2. Principal Office. The location and principal office of the Corporation shall be in the City of Portland, State of Maine, but the Corporation may also maintain other offices in such places, either within or without the State of Maine, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

Section 3. Registered Office. The registered office of the Corporation in the State of Maine may be (but need not be) the same as the principal office.

Section 4. Seal. The seal of the Corporation shall have inscribed thereon the name of the Corporation, the year of its organization, and the word "Maine."

ARTICLE II

Definitions

Section 1. Associate Member Municipalities. "Associate Member Municipalities" means such municipalities which may become party to an Associate Member Waste Handling Agreement and be accepted by the Board of Directors as an Associate Member Municipality. Any municipality shall cease to be an Associate Member Municipality upon the date of termination of its Associate Member Waste Handling Agreement.

Section 2. Board. "Board" refers to the Corporation's Board of Directors.

Section 3. Interlocal Agreement. "Interlocal Agreement" means the ECO Maine Interlocal Solid Waste Agreement, by and between the Cities of Portland and South Portland, and the Towns of Bridgton, Cape Elizabeth, Casco, Cumberland, Falmouth, Freeport, Gorham, Gray, Harrison, Hollis, Limington, Lyman, North Yarmouth, Ogunquit, Pownal, Scarborough,

Windham, Waterboro and Yarmouth, dated as of December 1, 2005, as supplemented by an Addendum dated April 13, 2006, and by an Addendum dated June 30, 2006, and as further amended or supplemented by addendum from time to time.

Section 4. Participating Member Municipalities. "Participating Member Municipalities" means any municipalities which are or may later become a party to the Interlocal Agreement and be accepted by the Board of Directors as a Participating Member Municipality. Any municipality shall cease to be a Participating Member Municipality upon the effective date of its withdrawal from the Interlocal Agreement.

ARTICLE III

Members

The Corporation shall have no members and shall be a non-membership Corporation.

ARTICLE IV

Board of Directors

Section 1. Number and Qualifications. The business and affairs of the Corporation shall be managed by a Board of Directors elected in accordance with the procedures set forth in the Bylaws of the Corporation.

Section 2. Term of Office. Each Director shall serve for a term of three (3) years or until his or her successor is appointed and qualified. Directors shall be appointed prior to the annual meeting of the Board.

Section 3. Election of Directors. Each Participating Member Municipality shall appoint a minimum of one (1) Director to represent and vote the Voting Interest held by such Participating Member Municipality. In addition, a Participating Member Municipality whose Voting Interest is greater than five percent (5%) may appoint an additional Director for each increment of five percent (5%) or portion thereof, provided that the Voting Interest of such Municipality shall be allocated among the Directors representing such Municipality in such proportions as specified by the Municipal Officers of such Municipality, provided, however, in the event that a Participating Member Municipality is represented by more than one Director, unless

otherwise provided by the Municipal Officers of such Municipality, the Voting Interest of such Municipality shall be divided equally between and voted by the Directors representing such Municipality who are actually present at such meeting.

The Municipal Officers of each Participating Member Municipality shall have the right to appoint an alternate Director or Directors who may vote the interest of the Participating Member Municipality on the Board in the absence of its appointed representative(s) to the Board.

Section 4. Vacancies. A vacancy in the Board may occur by the following means: death, resignation, or forfeiture. A member of the Board shall forfeit his/her membership if at any time during his/her term he/she lacks any qualifications of membership prescribed by these By-Laws. If he/she fails to attend at least one-half of the meetings of the Board subsequent to the preceding annual meeting of the Board, or if he/she fails to attend two (2) consecutive meetings of the Board without having provided at least one (1) day's prior notice of such absence to the Chairman, Secretary or General Manager, the Participating Member Municipality from which the member was appointed shall be so notified by the Chair.

Section 5. Filling of Vacancies. If a vacancy in the membership of the Board should occur, his/her successor shall be elected in accordance with the procedure set forth in Section 3.

Section 6. Powers and Functions. The Board shall be the policy making body of the Corporation, and may exercise on behalf of the Corporation those powers and functions which are necessary or convenient to the accomplishment of the purposes stated in the Interlocal Agreement. Its functions and duties shall include:

- (a) election of officers;
- (b) adoption of the annual budget;
- (c) adoption and amendment of these By-laws;
- (d) election of members and alternate members of the Executive Committee;
- (e) election of members and alternate members of the Finance Committee;
- (f) election of members and alternate members of the Audit Committee;
- (g) election of members and alternate members of the Recycling Committee;
- (gh) employment and termination of employment of the General Manager.

Section 7. Annual Meeting. The Board shall meet annually at a time and place to be determined by the Chair, notice thereof being given to each Director at least five (5) days prior to the meeting. Elections of officers shall be held at the annual meeting.

Section 8. Other Meetings. Special meetings of the Board may be held at any time and place upon call by or at the request of the Chair, by a majority vote of the Executive Committee, by call of the Incorporator in the case of the first meeting of the Directors, or by request of Directors representing twenty-five per cent (25%) of the total Voting Interests of the Corporation, notice thereof being given to each Director at least five (5) days prior to the meeting.

Section 9. Notice. Notice of a meeting may be given by the Chair, Secretary, General Manager or by any one (1) of the Directors, and shall be given by written notice delivered personally or sent by mail or telegram to each Director at his or her address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.

Section 10. Voting Interest. Each Participating Member Municipality shall have a Voting Interest expressed as a percentage. The Voting Interest of each Participating Member Municipality shall be rounded off to the nearest hundredth of a per cent, and the Voting Interests of all Participating Member Municipalities shall total one hundred percent (100%). The Voting Interests of all Participating Member Municipalities are set forth in Appendix A.

Section 11. Alternates. The Board may appoint one or more alternate members of the Executive Committee, Finance Committee and Audit Committee and any other committee that is created, and may specify their order of preference, provided that alternate members of the Executive Committee may be designated only from among members of the Board. Each such alternate member may attend all meetings of the committee, but shall be without vote unless one or more of the regularly designated members of such committee fails to attend a meeting. In the absence of one or more of the regular members of the committee, such alternate member or members may be counted toward a quorum and may vote as though they were regular members of

the committee. In the event that there are more alternate committee members present than there are absent regular committee members, the alternate members shall have the right to vote in the order of preference specified by the Directors in designating them or, if no order of preference was specified, in the order of their appointment or their listing in a single appointment.

Section 12. Voting. A simple majority, determined by the Voting Interests of Directors, shall constitute a quorum, and, except as otherwise provided in these By-Laws, action of the Board shall be by the majority of Voting Interests cast by those Directors present and voting at any duly called meeting. Except as otherwise provided in these By-Laws, each Director shall be entitled to vote the Voting Interest of the Participating Member Municipality represented by such Director or Directors.

Section 13. Restriction on Certain Expenditures. Action of the Board to approve making, financing or refinancing of any expenditure, the cost of which in the opinion of the Board is too great to be met from annual revenues, shall be by a vote of three-fourths (3/4) of the total Voting Interests of the Directors. Notice of any meeting called for the purpose of determining whether to incur the cost of such an expenditure and acting thereon shall be given to each Director at least thirty (30) days prior to the meeting.

Section 14. Rules and Regulations. The Board may adopt rules and regulations not inconsistent with these By-Laws. Except as otherwise provided in these By-Laws or in such rules and regulations, all business at meetings of the Board shall be conducted in accordance with Robert's Rules of Order.

ARTICLE V Executive Committee

Section 1. Composition and Eligibility.

- (a) There shall be ~~a nine (9) member~~an Executive Committee consisting of the ~~following nine (9) Directors ("Municipal Directors")~~Chair, Vice-Chair, Secretary and Treasurer of the Corporation and five (5) other members of the Board; ~~provided that the Executive Committee shall include:~~ two (2) members from Portland, one (1) member from South Portland, one (1) member from Scarborough

and one (1) member from each of the five (5) Executive Committee Districts selected by the Directors representing the Participating Municipalities of such District. In addition, the Committee shall include the Chair, Vice-Chair, Secretary and Treasurer of the Corporation (the "Officers"); provided that, in the event an Officer(s) is not included among the Municipal Directors, the membership of the Committee shall be increased accordingly; and further provided that whenever the ~~Executive~~ Committee votes on any action which directly affects property owned by the Corporation and located in Gorham, and the Director representing Gorham is not a member of the Committee, the membership of the Committee will be increased to add one (1) member from Gorham solely for the purpose of participating in such vote; ~~and Executive Committee District 3 shall have one-half (1/2) vote;~~ and further provided that the immediate past Chair, if a member of the Board, shall be a member of the ~~Executive~~ Committee, without vote. In the event that the Directors representing the Participating Municipalities of any Executive Committee District are unable to agree on the selection of a Director to serve as the District's member on the ~~Executive~~ Committee, the Chair will select a Director to be appointed by the Board to serve as such District's member on the ~~Executive~~ Committee.

- (b) The representatives to the Executive Committee shall be appointed by the Board at the Annual Meeting.
- (c) The Executive Committee Districts shall be composed of the following Participating Member Municipalities:
 - (i) District 1: Bridgton; Casco; Gray; Harrison
 - (ii) District 2: Hollis; Limington; Lyman; Ogunquit; Waterboro
 - (iii) District 3: Gorham; Windham
 - (iv) District 4: Cumberland; Freeport; North Yarmouth; Pownal; Yarmouth
 - (v) District 5: Cape Elizabeth; Falmouth
- (d) Each member of the Executive Committee shall serve for a term of three (3) years or until his or her successor is appointed and qualified.

Section 2. Officers, Vacancies, Filling of Vacancies.

- (a) Officers. Officers of the Executive Committee shall include the Chair and President, Vice-Chair, Secretary and Treasurer of the Corporation, and such other officers as the Board of Directors may elect or desire. Only persons who are

members of the Board of Directors shall be eligible to be officers of the Executive Committee.

- (b) Vacancies. A vacancy in the Executive Committee may occur by the following means: death, resignation, or forfeiture. A member of the Executive Committee shall forfeit his/her office if at any time during his/her term of office he/she lacks any qualifications of the office prescribed by these By-Laws. If he/she fails to attend at least one-half of the meetings of the Executive Committee subsequent to the preceding annual meeting of the Board, or if he/she fails to attend two (2) consecutive meetings of the Executive Committee without having provided at least one (1) day's prior notice of such absence to the Chair, Secretary or General Manager, the Participating Municipality from which the member was appointed shall be so notified by the Chair.
- (c) Filling of Vacancies. If a vacancy in the Executive Committee should occur more than one hundred twenty (120) days prior to the next annual meeting of the Board, the Executive Committee shall call a meeting of the Board for the purpose of filling said vacancy. The Executive Committee may fill any other vacancy at any regular or special meeting from the membership of the Board, subject to the requirements of Section 1.

Section 3. Function and Powers. Except as may otherwise be provided by the Board, the Executive Committee shall have the following functions and powers:

- (a) To conduct the business of the Corporation within the policy guidelines of the Board.
- (b) To propose an annual budget.
- (c) To provide for an annual audit.
- (d) To appoint ad hoc or special committees.
- (e) To receive, hold and disburse funds, set fees for services, seek and accept grants, and enter into necessary contracts for the Corporation.
- (f) To review requests for membership to the Corporation and to make a recommendation to the Board concerning such requests.
- (g) To direct the General Manager to employ or contract for the employment of a staff, including fixing of salary and benefits in accordance with policies established by the Executive Committee, except that the employment and termination of employment of the General Manager shall be the responsibility of the Board in

accordance with Article IV, Section 6.

- (h) To review and evaluate annually the performance of the General Manager.
- (i) To exercise such municipal powers as may be delegated to the Corporation by any Participating Municipality.

Section 4. Procedure.

- (a) Meetings. The Executive Committee shall meet monthly or on the call of the Chair or Vice-Chair, or at the direction of the Board.
- (b) Voting Interest. Each member of the ~~Executive~~ Committee shall have a voting interest equal to one (1) vote, except as otherwise provided in this subsection (“Executive Committee Voting Interest”). Whenever pursuant to Section 1(a) of this Article V, the size of the Committee exceeds nine (9) members as a result of the addition of Officer(s), the Executive Committee Voting Interest of such Officer(s) and the Executive Committee Voting Interest of the Municipal Director(s), who represent the same municipality or a different municipality that is in the same Executive Committee District as the municipality represented by the Officer, shall be equal to a proportion of the total Executive Committee Voting Interest of such municipality or District. By way of example, if an Officer and an Executive Committee District representative are from the same Municipality, the Executive Committee Voting Interest of each would equal 1/2 (one-half) vote. Notwithstanding any provisions in these By-Laws to the contrary, whenever, pursuant to Section 1(a) of this Article V, the size of the Committee is increased to add one (1) member from Gorham for the purpose of participating in votes on any action directly affecting property owned by the Corporation and located in Gorham, the Executive Committee Voting Interest of the member from Gorham and the member from Executive Committee District 3 shall each equal 1/2 (one-half) vote. ~~one vote, and a simple majority of the voting members of the Executive Committee shall constitute a quorum. No action of the Executive Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the voting members of the Executive Committee present and voting at any duly called meeting.~~
- (c) Voting. A simple majority, determined by Executive Committee Voting Interests of the members of the Executive Committee, shall constitute a quorum. Action of the Executive Committee shall be by an affirmative vote of a majority of the Executive Committee Voting Interests of those members of the Executive

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Committee present and voting at any duly called meeting.

- (ed) Rules. The Executive Committee may adopt rules and regulations not inconsistent with these By-Laws. Except as otherwise provided in these By-Laws or in such rules and regulations, all business at meetings of the Executive Committee shall be conducted in accordance with Robert's Rules of Order.

ARTICLE VI
Finance Committee

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~~Section 5.~~ ~~Finance Committee.~~

~~(a)Section 1. Membership.~~ There shall be a Finance Committee of the Treasurer, as Chair, and four (4) or more other persons appointed by the Board, provided that no more than two (2) persons who are not Directors shall be members.

Section 2. Filling of Vacancies. If a vacancy in the membership of the Committee should occur, his/her successor shall be appointed by the Chair of the Corporation to serve until the next annual meeting of the Board.

~~(b)Section 3. Function and Powers.~~ The Finance Committee shall be responsible for preparation of the annual budget for review by the Executive Committee and for oversight of the Corporation's financial matters at the direction of the Executive Committee.

~~(e)Section 4. Meetings.~~ The Finance Committee shall meet semi-annually and ~~specialy~~ upon call of the Chair or a majority of its members. Notice of the time and place of the meetings shall be provided to each member of the Committee at least five (5) days prior to the meeting.

~~(d)Section 5. Voting.~~ Each member of the Finance Committee shall have one vote, and a simple majority of the members of the Finance Committee shall constitute a quorum. No action of the Finance Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the voting members of the Finance Committee present and voting at any duly called meeting.

ARTICLE VII
Recycling Committee

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Section 1. Membership. There shall be a Recycling Committee of four (4) or more persons appointed by the Board at the Annual Meeting, provided that no more than two (2) persons who are not Directors shall be members.

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Section 2. Filling of Vacancies. If a vacancy in the membership of the Recycling

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Committee should occur, his/her successor shall be appointed by the Chair of the Corporation to serve until the next annual meeting of the Board.

Section 3. Function and Powers. The Recycling Committee shall be responsible for the Corporation's recycling activities for review by the Executive Committee and oversight of other matters at the direction of the Executive Committee.

Section 4. Meetings. The Recycling Committee shall meet semi-annually and upon call of the Chair or a majority of its members. Notice of the time and place of the meetings shall be provided to each member of the Committee at least five (5) days prior to the meeting.

Section 5. Voting. Each member of the Recycling Committee shall have one vote, and a simple majority of the members of the Recycling Committee shall constitute a quorum. No action of the Recycling Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the voting members of the Recycling Committee present and voting at any duly called meeting.

ARTICLE VIII **Audit Committee**

Section 1. Membership. There shall be an Audit Committee of three (3) or more Directors appointed by the Board.

Section 2. Filling of Vacancies. If a vacancy in the membership of the Audit Committee should occur, his/her successor shall be appointed by the Chair of the Corporation to serve until the next annual meeting of the Board.

Section 23. Function and Powers. The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities related to corporate accounting, financial reporting practices, quality and integrity of financial reports as well as legal compliance and business ethics. Key components of fulfilling this charge include:

- (a) Facilitating and maintaining an open avenue of communication among the Board, the Audit Committee, senior management and the independent external accountants;
- (b) Serving as an independent and objective party to monitor the Corporation's financial reporting process and internal control system; and
- (c) Engaging, reviewing and appraising the efforts of the independent accountants.

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Section 34. Meetings. The Audit Committee shall meet semi-annually and **specialty** upon call of the Chair or a majority of its members. Notice of the time and place of the meetings shall be provided to each member of the Committee at least five (5) days prior to the meeting. All meetings will focus primarily on audit/financial issues but will also devote time to ethics and business conduct issues. The Committee will request legal updates from the Corporation's legal counsel and/or outside legal resources as they determine the need exists, but no less than once during each fiscal year. The Committee members will have sole discretion in determining the meeting attendees and agenda.

- (a) Voting. Each member of the Audit Committee shall have one (1) vote, and a simple majority of the members of the Audit Committee shall constitute a quorum. No action of the Audit Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the members of the Committee present and voting at any duly called meeting.
- (b) Rules and Regulations. The Audit Committee may adopt rules and regulations, not inconsistent with these By-Laws, which permit the Committee to remain flexible in order to best react to changing conditions and provide reasonable assurance to the Board that the accounting and reporting practices of the Corporation are in compliance with all legal requirements.

ARTICLE ~~V~~IX****
Officers, Elections and Vacancies

Section 1. Officers. The officers of the Corporation shall consist of a Chair and President, a Vice-Chair, a Secretary and a Treasurer. Only persons who are members of the Board shall be eligible to be officers.

Section 2. Nominations. The Chair shall appoint a nominating committee of four (4) Directors. The nominating committee shall recommend a slate of officers for election at the annual meeting of the Board. Nominations may also be made from the floor by any Director present.

Section 3. Elections. Elections shall be held at the annual meeting of the Board. A

majority of the Voting Interests of the Directors present is required for election to any office.

Section 4. Vacancies, Filling of Vacancies.

- (a) Vacancies. A vacancy may occur by the following means: death, resignation, or forfeiture. An officer forfeits his office if at any time during his term he lacks the qualifications of his office as determined by these By-Laws.
- (b) Filling of Vacancies. Should a vacancy occur in the office of Chair and President, it shall be filled temporarily by the Vice-Chair. If the vacancy in the office of Chair and President should occur more than one hundred twenty (120) days prior to the annual meeting of the Board, then a special meeting shall be called by the Vice-Chair or Secretary for the purpose of electing a new Chair and President. The Board may fill any other vacancy.

Section 5. Powers and Duties of the Chair. The Chair shall preside over all meetings of the Board and in his or her absence, the Vice-Chair shall preside. In the absence of the Vice-Chair, the Secretary or Treasurer may preside at such meetings.

Section 6. Powers and Duties of the Secretary and Treasurer. The Secretary shall record or shall cause to be recorded all the votes and proceedings of the Board meetings in books kept for that purpose. The Secretary and the Treasurer shall also perform such further duties as the Board and/or the Executive Committee may from time to time direct. The Treasurer shall chair the Finance Committee. The Treasurer may be required to give bond for the faithful discharge of his/her duties, in such sum and with such sureties as the Board may require and approve.

ARTICLE ~~VIII~~X
Finances

Section 1. Disbursements of Funds. Funds which accrue to the Corporation for its use in furthering the aims and purposes of the Corporation shall be controlled, disbursed, and accounted for in a manner prescribed by the Executive Committee for general purposes.

Section 2. Fiscal Year. The Corporation's fiscal year shall be from July 1st through June 30th.

Section 3. Payment In Lieu of Taxes. In partial consideration for the obligations of the Participating Member Municipalities resulting from provisions of the Interlocal Agreement and the applicable waste handling agreements, the Corporation shall pay in lieu of taxes a sum not less than Five Hundred Thousand Dollars (\$500,000.00) annually, based upon the 1987 annual waste

tonnage of Regional Waste Systems, which amount shall be increased in proportion to the waste tonnage increase from all sources, other than municipal waste, from the Participating Member Municipalities, and excluding all spot market waste, for the term of the waste handling agreements with Participating Member Municipalities, to be apportioned as follows: five-sevenths (5/7) to Portland; one-seventh (1/7) to South Portland; and one-seventh (1/7) to Scarborough. The Corporation may pay in lieu of taxes additional amounts to any Participating or Associate Member Municipality in which any portion of the realty of the Corporation is located.

ARTICLE ~~XXI~~
Indemnification

To the extent permitted by the laws of the State of Maine as they may now or hereafter exist, the Corporation shall indemnify any officer, director, employee or agent of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the fact that he or she is or was an officer, director, employee or agent of the Corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided that no indemnification shall be provided with respect to any matter as to which he or she shall have been finally adjudicated in any civil proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation or, in any criminal proceeding, to have had reasonable cause to believe that his or her conduct was unlawful. To the extent permitted by law, the Corporation may purchase and maintain insurance against the liability of its officers, directors, employees or agents.

ARTICLE ~~XXII~~
Amendments to By-Laws

These By-Laws may be amended or altered at any meeting of the Board, provided that a written notice shall be sent to each Director no less than five (5) days before the date of such meeting, which notice shall state the proposed amendments. A two-thirds (2/3) vote of the Voting Interests of the Directors present at a duly called meeting is necessary for passage of amendments.

(Adopted 4/13/06)
(Amended 6/30/06)
(Amended 9/21/06)
(Amended 10/18/07)
(Amended)

APPENDIX A

VOTING INTERESTS

Bridgton	4.35%
Cape Elizabeth	5.11%
Casco	1.41%
Cumberland	4.09%
Falmouth	4.05%
Freeport	3.48%
Gorham	4.51%
Gray	3.54%
Harrison	1.80%
Hollis	3.02%
Limington	2.47%
Lyman	2.54%
North Yarmouth	1.83%
Ogunquit	2.82%
Portland	20.01%
Pownal	0.55%
Scarborough	9.77%
South Portland	11.67%
Waterboro	4.09%
Windham	4.08%
Yarmouth	4.81%
	<hr/>
	100.00%