



Memorandum

DATE: December 31, 2020
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Executive Committee Minutes December 17, 2020

There was an Executive Committee Meeting held on the date noted above. The meeting was called to order by Mike Shaw, Chairman.

Item #1: Approval of the Minutes

Bill Shane motioned to accept the minutes as written. The motion was second by Linda Boudreau. All in favor.

Item #2: Finance & Audit Committee Report – Bill Shane, Chair

Bill Shane reported that the committee had lots of discussion around borrowing and leasing options. The committee approved unanimously to submit borrowing & leasing options to the Executive Committee and to the Full Board if discussions are successful today.

The discussion on borrowing and leasing was turned over to staff (Kevin Roche) for further discussion. Kevin (staff) provided a presentation and reviewed the following:

- Staff reviewed the benefits of borrowing & leasing and how **ecomaine** would benefit from lease financing.
- Staff reviewed a list of capital projects (equipment) that fits well into a leasing program.
- Staff focused on the useful life of the assets under consideration for leasing.
- Equipment has not been bidded out at this time. Some equipment may come in over or under the estimated costs.
- Leasing periods will vary between 5 or 10 years but staff will need some flexibility in negotiations.
- Terms discussed today are estimated and lease rates are unknown at this time. We are looking at an estimated leasing rate of 2% on 2 million for borrowing & leasing.
- Staff provided an estimate on what the cost of leasing will be for **ecomaine**.
- Staff discussed HM Payson's report and estimated a 4% (and 3%) gain in investments, noting that return rate is based on history.
- All projects (for potential leasing) have been approved by the board in the Capital spending plan as part of the FY 21 Budget except for one project listed.
- Staff is researching leasing without prepayment penalty.
- Detail was provided on each item for leasing consideration. There was a lengthy discussion on board liability and on the non-appropriation clause (if required) and how it may limit our options and the rates we may achieve.

Kevin detailed the voting requirements and outlined that this is our 2nd reading in accordance with our by-laws. Next steps would be approval from the Executive Committee. Bill Shane also requested that (for the Full Board) staff present on how borrowing and leasing will help us be cash positive.

Bill Shane motioned to send the borrowing & leasing plan to the Full Board for approval. The motion was second by Chris Branch. Bill Shane also requested that staff obtain an opinion from our Attorney and a resolution to be reviewed prior to the Full Board Meeting.

Roll Call on motion to send the Borrowing & Leasing Plan to the Full Board for Approval: Anne Bilodeau, Linda Boudreau, Christopher Branch, John Cloutier, Dave Durrell, Matthew Frank, Jamie Garvin, Jim Hager, Caleb Hemphill, Greg L'Heureux, Bill Shane, & Mike Shaw. Approved.

The next meeting of the Finance & Audit Committee is scheduled for January 21, 2021.

Item #4: Outreach & Recycling Committee – Caleb Hemphill, Chair

Caleb Hemphill reported out that the committee last met on November 12, 2020 and provided the following highlights:

- Recycling & Tagging Internship ended in November. Staff is putting together data, recommendations and cost benefits of the program.
- eco-Excellence Awards are now being accepted; nominations are due January 31, 2021. We encourage you to submit nominations and do not let your town be left out.
- Staff is at work on a “Certified Master Recycler” curriculum. The program will be similar to the training given interns and they will be sharing more information next month.
- Education & Outreach continues. For the month of October, we have reached 16,000 people despite the pandemic.
- Our online, social media and earned media metrics continue; to include the use of the Recyclopedia.

The next meeting of the Outreach & Recycling Committee is scheduled for January 14, 2021.

Item # 5: Manager’s Report

Legislative Update – Kevin updated the Board on the new representation from our owner communities on the Environment and Natural Resource Committee and encouraged board members to reach out for support LD 57 legislation. Kevin also discussed the importance of reaching out to MMA Policy Committee for support and asked board members to reach out to anyone they feel may help in this legislation being advanced.

Solar Update – Amendment in process because of the infrastructure costs increased which resulted in readjusting the contract. Contract is currently under review by our Attorney.

Electric Truck – Lion continues to work on a solution on our Electric Trucks. New drive alternative being reviewed and anticipate they will have quote by April and trucks by next Fall. We have followed up with the Department of Environmental Protection (DEP) and they recognized that projects may be delayed because of COVID and have extended the grant.

Recycling Market – Demand has improved on many areas of the market.

Financial Statement FY 21 (Year-to-date) - Kevin Roche (staff) reviewed the FY 21 Financial Statements.

Adjourn:

Bill Shane motioned to adjourn. Motioned second by Anne Bilodeau. All in favor.

Present via Zoom:

Anne Bilodeau, Linda Boudreau, Christopher Branch, John Cloutier, Dave Durrell, Matthew Frank, Jamie Garvin, Caleb Hemphill, Greg L'Heureux, Bill Shane & Mike Shaw

Staff:

Matt Grondin, Don Hebert, Denise Mungen, Kevin Roche & Kevin Trytek