



**Veazie Town Council**

**Regular Meeting**

**April 24th, 2017  
6:30pm**

**AGENDA**

- ITEM 1:** Call to Order
- ITEM 2:** Secretary to do the Roll Call
- ITEM 3:** Pledge of Allegiance
- ITEM 4:** Consideration of the Agenda
- ITEM 5:** Approval of the April 10<sup>th</sup>, 2017 Regular Council Meeting Minutes
- ITEM 6:** Comments from the Public

**New Business:**

- ITEM 7:** FY 17/18 Proposed Budget Presentation

**Old Business:**

- ITEM 8:** Executive Session 1 M.R.S.A. Sec 405 (6) (D) – Labor Negotiations
- ITEM 9:** Collective Bargaining Agreement
- ITEM 10:** Draft Ambulance Service Agreement
- ITEM 11:** Marijuana Moratorium Extension
- ITEM 12:** Manager's Report
- ITEM 13:** Comments from the Public
- ITEM 14:** Requests for information and Town Council Comments
- ITEM 15:** Review & Sign of AP Town Warrant #19 and Town Payroll #21, School Payroll Warrant #20 & #21, AP School Warrant #20 & #21.
- ITEM 16:** Adjournment

**Tammy Perry**  
5 Prouty Dr  
947-9624

**Chris Bagley**  
16 Silver Ridge  
cbagley@veazie.net

**David King**  
1081 Main St  
942-2376

**Paul Messer**  
1010 School St  
249-1361

**Michael Reid**  
14 Prouty Dr.  
573-1300



# **Agenda Items For April 24, 2017 Council Meeting**

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The following are brief explanations of some of the items on the agenda:

**ITEM 7:** Manager Leonard will present the proposed FY 2017-2018 Budget to the Council for discussion prior to the public hearing on it which is scheduled for May 8, 2017. The proposed budget has been included in the Council Packet for review. Overall the budget increases \$60,221.00 over last years approved budget. The projected mil rate is 18.45 which is an increase from the current mil rate of 18.30.

**Suggested Motion:** I motion we approve the FY 2017-2018 budget as presented and prepare it for public hearing which will be held on May 8, 2017.

**ITEM 8:** Council will go into Executive Session to discuss the proposed labor contract between the Town of Veazie and the Orono Firefighters Association.

**Suggested Motion:** I motion we enter executive session pursuant to 1 M.R.S.A. Sec. 405(6) (D) for the purpose of discussing the proposed labor contract between the Town of Veazie and the Orono Firefighters Association.

**Suggested Motion (exit):** I motion we come out of executive session and enter back into the regular Council Meeting

**ITEM 9:** Council will take action on the proposed Collective Bargaining Agreement between the Town of Veazie Fire Department and the Orono Firefighters Association.

**Suggested Motion:** I motion we approve the Collective Bargaining Agreement between the Town of Veazie and the Orono Firefighters Association International Association of Firefighters, Local 3106, AFL-CIO-CLC, for the period July 1, 2017 to June 30, 2020, in the form included with this motion, and to authorize the Town Manager, Mark Leonard, and Assistant Chief, Peter A. Metcalf, to sign said Agreement on behalf of the Town of Veazie.

**ITEM 10:** Council will discuss the proposed updated draft ambulance agreement between the Town of Veazie and the Town of Orono

**Suggested Motion:** I motion we approve the ambulance service agreement between the Town of Veazie and the Town of Orono and authorize the Town Manager, Mark Leonard, to sign said Agreement on behalf of the Town of Veazie

**ITEM 11:** Council will discuss an order to extend the moratorium on marijuana establishment and retail marijuana social clubs. The order has been prepared by legal counsel and is attached for review.

**Suggested Motion:** I motion we approve the order as prepared by Legal Counsel to extend the moratorium on retail marijuana establishments and retail marijuana social clubs.



Veazie Town Council Meeting  
April 10th, 2017

**Members Present:** Chairman Tammy Perry, Councilor Chris Bagley, Councilor David King, Councilor Paul Messer, Councilor Michael Reid, Manager Mark Leonard, Secretary Julie Strout Asst. Chief Pete Metcalf, and various members of the public.

**ITEM 1: Call to order**

Chairman Perry called the meeting to order at 6:30 pm.

**ITEM 2: Secretary to do the roll call:**

All present

**ITEM 3: Pledge of Allegiance**

**ITEM 4: Consideration of the Agenda**

Chairman Perry wanted to add #7B for the discussion of the Project Canopy Grant.

**ITEM 5: Approval of the March 27<sup>th</sup>, 2017 Regular Council Meeting Minutes**

Councilor Chris Bagley made a motion, seconded by Councilor Michael Reid to approve the March 27<sup>th</sup>, 2017 Regular Council Meeting Minutes as written. Voted 4-0-1. Motion carried. Councilor Dave King abstained.

**ITEM 6: Comments from the public**

None

**New Business:**

**ITEM 7A: 3<sup>rd</sup> Quarter Review**

Manager Leonard reviewed the 3<sup>rd</sup> quarter financials with the Council.

**ITEM 7B: Canopy Grant Discussion**

Councilor Paul Messer made a motion, seconded by Councilor David King to accept the 2017 Planning and Education grant in the amount of \$7,190.00 under the Project Canopy assistance Program and we will transfer the money needed to match the grant terms from the conservation reserve. Voted 5-0-0. Motion carried.

**Old Business**

**ITEM 8: Ambulance Contract Update**

Manager Leonard provided the Council with an update of discussions with area ambulance providers concerning the ambulance service contract.

The Council was in agreement to allow Manager Leonard to continue negotiations with Orono and provide a preliminary contract for the next meeting. Additionally Manager Leonard was requested to research what other communities are paying for ambulance services.

**ITEM 9: Capital Highway Projects Discussion**

The Council agreed to move forward with having former contractors complete the work in the approved Highway Capital spending plan.

**ITEM 10: Goals and Objective Review**

The Council is satisfied with their accomplishments over the past year. It was suggested item #6 should be carried forward to the coming year as the Ordinances still need to be reviewed.

**ITEM 11: Manager's Report**

Manager Leonard reviewed his report with the Councilor's.

**ITEM 12: Comments from the Public**

None

**ITEM 13: Requests for information and Town Council Comments**

None.

**ITEM 14: Review & sign of AP Town Warrant #18, and Town Payroll #20, School Payroll Warrant #21, AP School Warrant, #21**

The warrants were circulated and signed.

**ITEM 15: Adjournment**

Councilor David King motioned to adjourn

Councilor Chris Bagley seconded. No discussion. Voted 5-0-0. Motion carried.

Adjourned at 7:24pm

A True Copy Attest

Julie Strout, Deputy Clerk

# Town of Veazie



***BUDGET  
FOR  
FISCAL YEAR 2017-2018***

**FY 2017/ 2018 Budget Proposal Worksheet**  
**Veazie Municipal Department**

[illegible]



# Town of Veazie

## Budget Request FY 2017 - 2018

### Account 100 Executive Department Summary

04-11-2017  
Date

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$306,350.00	\$311,050.00

Proposed Budget Fiscal Year 17-18	Manager's Requested Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$311,050.00	\$	\$	\$4,700.00

The Executive Department is requesting \$4,700.00 more than the requested funds last year. Below is a breakdown of the increases and decreases for this account. They are as follows:

#### Decreases:

Workers Comp: \$200.00  
Registry Exp: \$750.00  
Electricity: \$2,000.00  
Bottled Gas: \$100.00

Equipment Parts: \$500.00  
Equipment Rental: \$500.00  
Dues/Subscription: \$500.00

**Total: \$4,550.00**

#### Increases:

Town Manager: \$2,500.00  
Deputy Treasurer: \$900.00  
Deputy Clerk: \$700.00  
Asst. Clerk: \$100.00  
FICA/Med: \$250.00

Health Insurance: \$4,000.00  
Me State Retirement: \$600.00  
MMA Dues: \$100.00  
TRIO License: \$100.00

**Total: \$9,250.00**

**Overall Difference= \$4,700.00 increase**

# Initial Request Worksheet

## Expense

Account	Current Budget	Budget Request
Dept: 100 GENERAL GOVE		
PAYROLL		
10-100 TOWN MANAGER	40,000.00	42,500.00
10-110 DEPUTY TREAS	45,000.00	45,900.00
10-130 DEPUTY CLERK	35,000.00	35,700.00
10-140 ASST CLERK	14,000.00	14,100.00
10-150 ASSESSOR	21,000.00	21,000.00
10-155 CEO	15,500.00	15,500.00
10-160 TOWN COUNCIL	3,200.00	3,200.00
10-170 ELECTION WOR	1,000.00	1,000.00
10-400 PT SALARIES	2,100.00	2,100.00
BENEFITS		
20-010 FICA/MED EXP	13,500.00	13,750.00
20-030 WORKERS COMP	1,500.00	1,300.00
RETIRE/INS		
30-010 HEALTH INSUR	30,000.00	34,000.00
30-020 RETIREMENT	6,500.00	6,500.00
30-025 ME ST RETIRE	4,500.00	5,100.00
OTHER COSTS		
40-020 MMA DUES	3,000.00	3,100.00
40-044 ANNUAL REPOR	1,450.00	1,450.00
40-050 REGISTRY EXP	1,000.00	750.00
40-060 ELECTIONS	1,000.00	1,000.00
40-070 ASSESSOR EXP	1,000.00	1,000.00
PROF FEES		
50-010 LEGAL FEES	9,800.00	9,800.00
50-020 AUDIT FEES	6,500.00	6,500.00
50-030 MAINT AGREE	4,800.00	4,800.00
50-040 PROCESS FEES	3,000.00	3,000.00
50-050 TRIO LICENSE	7,900.00	8,000.00
REPAIRS		
60-010 CUSTOD. SUPP	1,000.00	1,000.00
UTILITIES		
70-010 ELECTRICITY	12,000.00	10,000.00
70-030 COMMUNICATIO	3,000.00	3,000.00
70-040 WATER / SEWE	2,000.00	2,000.00
70-050 BOTTLED GAS	100.00	
EQUIPMENT		
80-010 EQUIP PARTS	1,000.00	500.00
80-030 EQUIP RENTL	1,000.00	500.00
MISC		

Initial Request Worksheet  
Expense

Account	Current Budget	Budget Request
Dept: 100 GENERAL GOVE CONT'D		
95-010 TRAINING	500.00	500.00
95-011 MILEAG/TRAVL	1,000.00	500.00
95-020 DUES/SUBSCR	2,000.00	1,500.00
95-030 SUPPLIES	2,500.00	2,500.00
95-040 POSTAGE	4,500.00	4,500.00
95-041 PRINTING	1,500.00	1,500.00
95-070 BOOKS/FORMS	500.00	500.00
95-080 ADVERTISING	1,000.00	1,000.00
95-090 ALARM SYSTEM	500.00	500.00
GENERAL GOVE	306,350.00	311,050.00



# Town of Veazie

## Budget Request FY 2017-2018

200 Accounts

### Police Department Summary

04/17/2017  
Date

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017- 018
	\$339,070.00	\$344,900.00

Proposed Budget Fiscal Year 17-18	Manager's Requested Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$344,900.00		\$339,070.00	\$5,830.00

The Police Department is requesting a \$5,830.00 increase from the requested funds last year. Below is a breakdown of the increases and decreases for this account. They are as follows:

#### Decreases:

ME State Retirement: \$3,000.00

Fuel: \$2,500.00

**Total: \$5,500.00**

#### Increases:

Police Chief: \$1,500.00

Workers Comp: \$600.00

Patrol Salaries: \$4,280.00

Health Insurance: \$4,000.00

FICA/ Med: \$450.00

Animal Control: \$500.00

**Total: \$11,330.00**

**Overall Difference= \$5,830.00**

# Initial Request Worksheet Expense

Account	Current Budget	Budget Request
Dept: 200 POLICE		
PAYROLL		
10-200 POLICE CHIEF	35,000.00	36,500.00
10-210 PATROL SAL	180,720.00	185,000.00
BENEFITS		
20-010 FICA/MED EXP	14,550.00	15,000.00
20-030 WORKERS COMP	5,500.00	6,100.00
RETIRE/INS		
30-010 HEALTH INSUR	44,000.00	48,000.00
30-025 ME ST RETIRE	17,000.00	14,000.00
OTHER COSTS		
40-011 FUEL	12,500.00	10,000.00
40-021 ANIMAL CTRL	3,500.00	4,000.00
40-025 DARE PROG	500.00	500.00
40-031 LAB FEES	400.00	400.00
40-041 COMMUNICATNS	3,500.00	3,500.00
40-051 AMMO - PD	1,500.00	1,500.00
40-061 UNIFORMS	3,000.00	3,000.00
40-080 COMM POLICNG	500.00	500.00
40-091 PERS EVAL-PD	2,000.00	2,000.00
REPAIRS		
60-011 CRUISER REPR	5,500.00	5,500.00
60-040 ISSUED EQ-PD	1,200.00	1,200.00
60-050 EQUIPMENT RE	500.00	500.00
MISC		
95-010 TRAINING	4,000.00	4,000.00
95-020 DUES/SUBSCR	500.00	500.00
95-030 SUPPLIES	1,700.00	1,700.00
95-051 COMP/MAINT	1,500.00	1,500.00
POLICE	339,070.00	344,900.00

# Town of Veazie

## Budget Request FY 2017-2018

### 300 Accounts Fire Department Summary

Date: 04/10/2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$2220,165.00	\$231,300.00

Proposed Budget Fiscal Year 17-18	Manager's Requested Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$231,300.00			\$11,135.00

The Fire Department is requesting an \$11,135.00 increase from the requested funds last year. Below is a breakdown of the increases and decreases for this account. They are as follows:

**Decreases:**

Workers Comp: \$100.00  
Fuel: \$500.00

Communications: \$400.00

**Total: \$1,000.00**

**Increases:**

Day Coverage: \$3,300.00  
Call Firefighters: \$1,200.00  
FICA/MEDI: \$300.00  
Health Insurance: \$4,300.00  
ME State Retire: \$1,185.00

Issued Equipment: \$500.00  
EMS Equipment: \$750.00  
Engine 192: \$300.00  
Engine 195: \$300.00

**Total: \$12,135.00**

**Overall Difference= \$11,135.00 Increase**

# Initial Request Worksheet Expense

Account	Current Budget	Budget Request
Dept: 300 FIRE		
PAYROLL		
10-320 FF DAY COVER	97,500.00	100,800.00
10-330 CALL FIRE	28,000.00	29,200.00
BENEFITS		
20-010 FICA/MED EXP	9,700.00	10,000.00
20-030 WORKERS COMP	8,400.00	8,300.00
RETIRE/INS		
30-010 HEALTH INSUR	27,200.00	31,500.00
30-025 ME ST RETIRE	10,915.00	12,100.00
OTHER COSTS		
40-011 FUEL	2,500.00	2,000.00
40-041 COMMUNICATNS	1,900.00	1,500.00
40-061 UNIFORMS	2,900.00	2,900.00
40-092 EMS RECER FD	500.00	500.00
40-101 ANNUAL PHYS	1,300.00	1,300.00
40-111 FIRE PREVENT	800.00	800.00
PROF FEES		
50-011 MAINT CONT	7,000.00	7,000.00
REPAIRS		
60-060 RADIO REPAIR	1,400.00	1,400.00
60-070 SCBA MAINTEN	1,600.00	1,600.00
60-071 FIREFIGHT EQ	1,500.00	1,500.00
60-072 ISSUED EQU	3,000.00	3,500.00
60-073 EMS EQUIP	450.00	1,200.00
60-074 SM MECH EQ	750.00	750.00
60-192 ENGINE 192	2,500.00	2,800.00
60-195 ENGINE 195	3,500.00	3,800.00
60-198 UNIT 198	1,000.00	1,000.00
MISC		
95-010 TRAINING	2,500.00	2,500.00
95-011 MILEAG/TRAVL	300.00	300.00
95-015 TRNG INSTRCT	750.00	750.00
95-020 DUES/SUBSCR	800.00	800.00
95-030 SUPPLIES	1,000.00	1,000.00
95-042 TRN MATLS	500.00	500.00
FIRE	220,165.00	231,300.00



# Town of Veazie

Budget Request FY 2017-2018

500 Accounts

Recreation Department Summary

Date: 04/11/2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$15,000.00	\$12,500.00

Proposed Budget Fiscal Year 17-18	Manager's Request Amount	Budget Comm. Approved Amount	Council Approved	Increase (Decrease)
	\$12,500.00			(\$2,500.00)

The Recreation Department will see a \$2,500.00 decrease in the amount of funds which were requested last year.

**Overall Difference= \$2,500.00 decrease**

**Initial Request Worksheet**  
**Expense**

Account	Current Budget	Budget Request
Dept: 500 RECREATION		
OTHER COSTS		
40-093 REC COMM PGM	15,000.00	12,500.00
RECREATION	15,000.00	12,500.00

# Town of Veazie

Budget Request FY 2017-2018

## 550 Account Community Investment Summary

Date: 04/11/2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017- 018
	\$30,000.00	\$30,000.00

Proposed Budget Fiscal Year 16-17	Manager's Request Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$30,000.00			\$0.00

The Community Investment Account is seeing no change from the request amount last year.

### Decreases:

Total: \$0.00

### Increases:

Total: \$0.00

Overall Difference= \$0.00

**Initial Request Worksheet**  
**Expense**

Account	Current Budget	Budget Request
Dept: 550 COMM INVES		
MISC		
95-102 COM PROG	2,300.00	2,300.00
95-104 MS-4	14,400.00	14,400.00
95-105 ECONOMIC DEV	5,300.00	5,300.00
95-106 COM CEN	8,000.00	8,000.00
COMM INVES	30,000.00	30,000.00

# Town of Veazie

## Budget Request FY 2017 - 2018

### 600 Accounts Capital Accounts

Date: 04/11/2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$165,000.00	\$215,000.00

Proposed Budget Fiscal Year 17-18	Manager's Request Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$215,000.00			\$50,000.00

The Capital Accounts will see a \$50,000.00 increase from the monies requested last year. The requested \$215,000.00 will be spent in the following manner:

**Police Department= \$5,000.00** This money will be used to purchase replacement bullet resistant vest as some of the current vest are nearing end of life cycles.

**Executive Department= \$5,000.00** This money will be used toward the purchase of equipment to reactivate the public information channel and to implement additional ways to communications with the public.

**Fire Department= \$5,000.00** This money will be used to purchase new sets of fire gear to replace those that have reached their end of life date.

**Highway= \$200,000.00** This money will be used toward highway projects. A detailed list has been approved by Council and is attached to this list for review.

**Initial Request Worksheet**  
**Expense**

Account	Current Budget	Budget Request
Dept: 600 CAP FUNDS		
CAPITAL PROJ		
90-010 POLICE DEPAR	5,000.00	5,000.00
90-020 EXECUTIVE DE	5,000.00	5,000.00
90-100 FIRE DEPT CA	5,000.00	5,000.00
90-130 CEM PROJ CAP	0.00	
90-140 HIGHWAY CAP	150,000.00	200,000.00
CAP FUNDS	165,000.00	215,000.00

# Town of Veazie

## Budget Request FY 2017-2018

### 700 Accounts Reserve Account Summary

Date: 04/11/2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$52,500.00	\$64,500.00

Proposed Budget Fiscal Year 17-18	Manager's Request Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$64,500.00			\$12,000.00

The Reserve Account is requesting \$12,500.00 more than the requested funds were last year. Below is a breakdown of the increases and decreases for this account. They are as follows:

#### Decreases:

Sick and Vacation: \$5,000.00

Unemployment: \$1,000.00

**Total: \$6,000.00**

#### Increases:

Municipal Building: \$8,000.00

Hazard Tree Removal: \$10,000.00

**Total: \$18,000.00**

**Overall Difference= \$12,000.00 decrease**

**Initial Request Worksheet**  
**Expense**

Account	Current Budget	Budget Request
Dept: 700 RESERVE ACC		
OTHER COSTS		
40-005 POLICE CAR R	15,000.00	15,000.00
40-012 SICK & VACAT	10,000.00	5,000.00
40-026 TRAFFIC LIGH	2,000.00	2,000.00
40-032 MUNIC BLDG	2,000.00	10,000.00
40-043 UNEMPLOYMENT	2,500.00	1,500.00
40-045 INS RSK POOL	21,000.00	21,000.00
40-160 HAZ TREE REM	0.00	10,000.00
RESERVE ACC	52,500.00	64,500.00



# Town of Veazie

## Budget Request FY 2017-2018

### 800 Accounts Fixed/Variable Costs Summary

Date: 04-11-2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$440,760.00	\$480,480.00

Proposed Budget Fiscal Year 17-18	Manager's Request Amount	Budget Comm. Approved Amount	Council Approved Amount	Increase (Decrease)
	\$480,480.00		\$480,480.00	\$39,720.00

The fixed/variable account is requesting a \$39,720.00 increase over the requested funds last year. Below is a breakdown of the increases and decreases that had to occur to obtain this request. They are as follows:

**Decrease:**

Heating Cost: \$2,000.00

**Total: \$2,000.00**

**Increases:**

Road Salt: \$900.00

Cemetery Maint: \$800.00

Forester Contract: \$2,000.00

Lawn Care: \$1,520.00

Public Trans: \$1,500.00

Ambulance Contract: \$35,000.00

**Total: \$41,720.00**

**Overall Difference= \$39,720.00**

# Initial Request Worksheet Expense

Account	Current Budget	Budget Request
Dept: 800 FIXED CST/VA		
OTHER COSTS		
40-110 BUILDING MAI	10,000.00	10,000.00
40-120 STREET SWEEP	2,500.00	2,500.00
40-130 DRAIN CLEAN	2,500.00	2,500.00
40-140 HIGHWAY MAINT	25,000.00	25,000.00
40-150 ROAD SALT	35,100.00	36,000.00
40-170 CEMETERY MNT	2,700.00	3,500.00
FIXED COSTS		
45-100 HYDRANT RENT	91,380.00	91,380.00
45-150 LAWN CARE	14,980.00	16,500.00
45-200 WNTR MNT CON	87,500.00	87,500.00
45-225 FORESTER CON	0.00	2,000.00
45-250 STREET LIGHT	29,100.00	29,100.00
45-350 SOLID WASTE	95,000.00	95,000.00
45-400 HEATING COST	12,000.00	10,000.00
45-450 GENL ASSIST	10,000.00	10,000.00
45-500 PUBLIC TRANS	21,500.00	23,000.00
45-525 AMBULANCE	0.00	35,000.00
45-600 NETWORK MAIN	1,500.00	1,500.00
FIXED CST/VA	440,760.00	480,480.00

# Town of Veazie

## Budget Request FY 2017-2018

### 900 Accounts Mandatory Summary

Date: 04-11-2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$1,354,256.00*	*\$1,356,299.00

Proposed Budget Fiscal Year 17-18	Manager's Request Amount	Budget Comm. Requested Amount	Council Approved Amount	Increase (Decrease)
	\$1,356,299.00*			\$2,043.00

#### Decreases:

Overlay: \$5,616.00

Total: \$5,616.00

#### Increases:

County Tax: \$7,659.00

Total: \$7,659.00

Overall Difference= \$2,043.00

\* Not including figures for education\*

**Initial Request Worksheet**  
**Expense**

Account	Current Budget	Budget Request
Dept: 900 MANDATORY		
FIXED COSTS		
45-650 OVERLAY	38,251.00	32,635.00
45-700 COUNTY TAX	298,429.00	306,088.00
45-750 SEWER DIST	60,000.00	60,000.00
45-800 TIF FIN	957,576.00	957,576.00
MISC		
95-200 EDUCATION	2,828,754.00	2,766,047.00
MANDATORY	4,183,010.00	4,122,346.00
<b>Expense Totals:</b>	<b>5,751,855.00</b>	<b>5,812,076.00</b>

# Town of Veazie

## Budget Request FY 2017-2018

### Revenue Summary

Date: 04-11-2017

Past Fiscal Year And Anticipated Need For The Coming Year	Budget FY 2016-2017	Anticipated 2017-2018
	\$5,751,854.00	*\$5,812,076.00

Proposed Budget Fiscal Year 17-18	Manager's Request Amount	Budget Comm. Requested Amount	Council Approved Amount	Increase (Decrease)
	\$5,812,076.00			\$60,222.00

#### Decreases:

GA Reimbursement: \$2,000.00  
Cable TV Fee: \$3,000.00

Animal Fees \$100.00  
MRC: \$3,000.00

**Total: \$8,100.00**

#### Increases:

RE Tax Comm: \$15,300.00  
PP Tax Comm: \$23,421.00  
Muni. Rev Share: \$6,135.00  
Homestead Exmp: \$20,378.00  
BETE: \$1,088.00

Clerk Fees \$100.00  
Agent Fees: \$1,000.00  
Bldg. Permit: \$500.00  
Comm Ctr Rent: \$400.00

**Total: \$68,322.00**

**Overall Difference= \$60,222.00**

# Initial Request Worksheet

## Revenue

Account	Current Budget	Budget Request
Dept: 100 GENERAL GOVE		
1100 RE TAX COMM	2,568,447.00	2,583,747.00
1200 PP TAX COMM	2,530,107.00	2,553,528.00
1300 EXCISE-BMV	350,000.00	350,000.00
1350 EXCISE-BOATS	2,000.00	2,000.00
1500 TAX INT&COST	10,000.00	10,000.00
2100 MUNIC REV SH	105,132.00	111,267.00
2200 LOCL RD ASST	15,000.00	15,000.00
2300 GA REIMBURSE	7,000.00	5,000.00
2400 HOMESTD EXMP	65,867.00	86,245.00
2420 VET REIMBURS	2,000.00	2,000.00
2460 TREE GROWTH	300.00	300.00
2470 BETE	1,991.00	3,079.00
2500 SNO MO REIMB	400.00	400.00
3100 CLERKS FEES	600.00	700.00
3200 AGENT FEES	5,500.00	6,500.00
3300 VITAL RECRDS	1,000.00	1,000.00
3400 PLUMB PERMIT	500.00	500.00
3450 BLDG PERMIT	1,500.00	2,000.00
3460 ELEC PERMIT	300.00	300.00
3500 MO HO PARK	360.00	360.00
3600 CABLE TV FEE	25,000.00	22,000.00
3700 ANIMAL FEES	600.00	500.00
4100 TIF ADM FEES	2,000.00	2,000.00
4200 MRC	16,000.00	13,000.00
5000 MISC REVENUE	500.00	500.00
6300 CEMETERY FEE	1,000.00	1,000.00
6350 CEMETERY LOT	6,000.00	6,000.00
7100 INTEREST	15,000.00	15,000.00
	5,734,104.00	5,793,926.00

**Initial Request Worksheet**  
**Revenue**

Account	Current Budget	Budget Request
Dept: 200 POLICE		
1000 FEES & FINES	300.00	300.00
3000 CONC WEAPONS	500.00	500.00
	800.00	800.00

**Initial Request Worksheet**  
**Revenue**

Account	Current Budget	Budget Request
Dept: 300 FIRE		
1000 MISC REVENUE	1,000.00	1,000.00
	1,000.00	1,000.00



**Initial Request Worksheet**  
**Revenue**



Account	Current Budget	Budget Request
Dept: 400 PUBLIC WORKS		
1000 WNTR RDS CON	8,640.00	8,640.00
1005 HYDRANT CLEA	810.00	810.00
	9,450.00	9,450.00



Veazie  
3:56 PM

**Initial Request Worksheet**  
**Revenue**





04/11/2017  
Page 14

Account	Current Budget	Budget Request
Dept: 500 RECREATION		
6000 COMM CTR RNT	6,500.00	6,900.00
	6,500.00	6,900.00
<b>Revenue Totals:</b>	<b>5,751,854.00</b>	<b>5,812,076.00</b>

  Message Tue, Apr 11, 2017 7:36 AM

From:  Matthew Cyr <mcyr@veaziecs.org>  
To:  Mark Leonard

Subject: 3rd Quarter VCS Financials

Attachments:  vz budget articles ytd 033017.pdf / Uploaded File (13K)  
 Attach1.html / Uploaded File (2K)  
 vz budget articles ytd 033116.pdf / Uploaded File (13K)  
 Attach2.html / Uploaded File (2K)

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Attached are the FY16 and FY17 3rd quarter financials..

I'd like to point out that we ended the year favorably last year (I put back more money into the undesignated fund View in Browserhad borrowed; and, borrowed even less the next year).

In comparison, we are in a slightly better position today (FY17) than we were last year at this point in time.

-matt

 Matthew Cyr  
Principal  
Veazie Community School  
1040 School Street  
Veazie, Maine 04401  
(207) 947-6573  
Fax: (207) 947-6570

Attached are the FY16 and FY17 3rd quarter financials..

I'd like to point out that we ended the year favorably last year (I put back more money into the undesignated fund balance than I had borrowed; and, borrowed even less the next year).

In comparison, we are in a slightly better position today (FY17) than we were last year at this point in time.

-matt



## Veazie School Department Budget by Warrant Articles - Total

Account Number / Description	Adopted Budget 7/1/2015 - 6/30/2016	Amendments 7/1/2015 - 6/30/2016	Amended Budget 7/1/2015 - 6/30/2016	YTD Expended 7/1/2015 - 3/31/2016	Encumbrances 7/1/2015 - 3/31/2016	Amount Remaining 7/1/2015 - 3/31/2016	Percent Remaining 7/1/2015 - 3/31/2016
Total Article 1 - Reg Instr.	\$2,126,522.09	\$(-1,350.00)	\$2,125,172.09	\$1,322,717.50	\$0.00	\$802,454.59	37.75%
Total Article 2 - Sp/Ed Instr.	\$831,795.71	\$0.00	\$831,795.71	\$454,641.37	\$0.00	\$377,154.34	45.34%
Total Article 3 - CTE Instr.	\$26,383.14	\$0.00	\$26,383.14	\$19,746.00	\$0.00	\$6,637.14	25.15%
Total Article 4 - Other Instr.	\$42,496.76	\$0.00	\$42,496.76	\$19,967.67	\$0.00	\$22,529.09	53.01%
Total Article 5 - Stu & Staff	\$200,143.67	\$0.00	\$200,143.67	\$140,274.56	\$0.00	\$59,869.11	29.91%
Total Article 6 - System Admin	\$100,517.54	\$1,350.00	\$101,867.54	\$58,817.91	\$0.00	\$43,049.63	42.26%
Total Article 7 - Sch Admin.	\$165,920.93	\$0.00	\$165,920.93	\$121,250.99	\$0.00	\$44,669.94	26.92%
Total Article 8 - Transport.	\$144,300.00	\$0.00	\$144,300.00	\$107,623.75	\$0.00	\$36,676.25	25.41%
Total Article 9 - Op & Maint	\$263,026.00	\$0.00	\$263,026.00	\$155,851.79	\$0.00	\$107,174.21	40.74%
Total Article 10 - Debt Svc.	\$287,644.91	\$0.00	\$287,644.91	\$273,165.50	\$0.00	\$14,479.41	5.03%
Total Article 11 - Other	\$30,000.00	\$0.00	\$30,000.00	\$20,000.00	\$0.00	\$10,000.00	33.33%
TOTAL BUDGET	\$4,218,750.75	\$0.00	\$4,218,750.75	\$2,694,057.04	\$0.00	\$1,524,693.71	36.14%

\*\*\*\*\*DRAFT\*\*\*\*\*

	<u>FY17</u>	<u>FY18 Proposed</u>	<u>\$ inc/(dec)</u>	<u>% inc/(dec)</u>
<b><u>Expenditures:</u></b>				
Article 1 - Regular Instruction	2,176,942.71	2,041,913.17	-135,029.54	-6.20%
Article 2 - Special Ed. Instruction	741,764.88	678,978.35	-62,786.53	-8.46%
Article 3 - CTE Instruction	29,021.00	26,840.47	-2,180.53	-7.51%
Article 4 - Other Instruction	37,036.36	36,094.64	-941.72	-2.54%
Article 5 - Student & Staff Support	223,716.31	198,858.55	-24,857.76	-11.11%
Article 6 - System Administration	101,817.54	112,977.54	11,160.00	10.96%
Article 7 - School Administration	124,480.71	104,516.52	-19,964.19	-16.04%
Article 8 - Transportation	140,300.00	143,300.00	3,000.00	2.14%
Article 9 - Facilities Management	253,736.00	372,645.00	118,909.00	46.86%
Article 10 - Debt Service	288,366.16	269,165.12	-19,201.04	-6.66%
Article 11 - Other (School Lunch)	40,000.00	40,000.00	0.00	0.00%
<b><u>Total Expenses:</u></b>	<b>4,157,181.67</b>	<b>4,025,289.36</b>	<b>-131,892.31</b>	<b>-3.17%</b>
<b><u>Revenues:</u></b>				
State Allocation	814,269.29	691,020.30	-123,248.99	-15.14%
State Debt Service	287,450.13	268,297.00	-19,153.13	-6.66%
State SRRF Project Share	0.00	29,925.00	29,925.00	
<b>Total State</b>	<b>1,101,719.42</b>	<b>989,242.30</b>	<b>-112,477.12</b>	<b>-10.21%</b>
<b>Prior Year Balance</b>	<b>226,708.53</b>	<b>270,000.00</b>	<b>43,291.47</b>	<b>19.10%</b>
Local Allocation	1,878,290.00	1,895,508.50	17,218.50	0.92%
Local w/o State participation	950,463.72	870,538.56	-79,925.16	-8.41%
<b>Total Local Share:</b>	<b>2,828,753.72</b>	<b>2,766,047.06</b>	<b>-62,706.66</b>	<b>-2.22%</b>
<b><u>Total Revenues:</u></b>	<b>4,157,181.67</b>	<b>4,025,289.36</b>	<b>-131,892.31</b>	<b>-3.17%</b>



# Agreement for Emergency Medical Services Town of Orono and Town of Veazie

This agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2017 by and between the Town of Veazie, located in the County of Penobscot, State of Maine, hereinafter referred to as "Veazie", and the Town of Orono, located in the County of Penobscot, State of Maine, hereinafter referred to as "Orono".

Whereas, Veazie has the need for paramedic and emergency ambulance coverage and;

Whereas, Orono, a Maine licensed emergency paramedic ambulance provider, provides paramedic and emergency ambulance service, and has the capability to provide such services;

Now, therefore, Veazie and Orono mutually agree to the following provisions for services by Orono to Veazie and its residents:

## 1. Services Provided

- a. Orono will provide a twenty-four hour, seven-day-a-week, paramedic ambulance service that shall respond promptly, efficiently and within a reasonable time frame to all calls for service originating within the town limits of Veazie.
- b. Orono agrees to make a good faith effort to put an ambulance en-route within 3-4 minutes of the tone. If Orono is unavailable to respond to the call, Orono will contact Regional Communication Center (RCC) to dispatch the appropriate EMS Services.
  - i. Should Orono down staff the second ambulance then notification shall be made to Veazie and PRCC. Should a medical call occur during a down staffed period and Orono primary ambulance is unavailable then PRCC will request an ambulance from Bangor or if necessary Capital Ambulance.
- c. Orono will provide for the residents of Veazie access to a paramedic staffed and equipped emergency ambulance with Maine licensed Emergency Medical Technician providers, of which at least one will be licensed at the paramedic level.
- d. Orono shall not leave its contract area without adequate mutual aid agreements and shall dedicate a minimum of one paramedic-equipped and staffed ambulance for emergency coverage.
- e. Orono, its staff, ambulance, and quick response vehicles will be licensed at the Basic Level and permitted to the paramedic level by Maine Emergency Medical Services under provisions of Maine statute Title 32 M.R.S.A. Section 81 et. Seq. and Rules as promulgated by the Board of Maine Emergency Medical Services.

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## Agreement for Emergency Medical Services Town of Orono and Town of Veazie

f. Orono is, and will remain in good standing, as a participating provider under the terms of the Health Care Financing Administration and the State of Maine with the Federal Medicare program and the State MaineCare program.

g. Orono will respond to medical emergencies under the terms of this and other emergency ambulance and mutual aid from the Fire Station in Orono.

h. Orono will maintain under the terms of this and other mutual aid agreements, its two existing paramedic-equipped ambulances based in Orono. Orono will maintain and house both said ambulances at the Orono Fire Department, and provide ambulance service to the Town of Veazie as needed when available.

i. Orono agrees to make a good faith effort to provide the ambulance, equipment, supplies, and services contemplated by this agreement. However, the parties acknowledge and agree that there may be circumstances beyond Orono's control that would prevent or delay the provision of the foregoing.

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### 2. First Response

Veazie Fire Department will provide EMS First Response, when available, for all emergency medical calls in Veazie. Veazie shall notify Orono Fire Department ~~and the dispatch service~~ when Veazie anticipates that its First Response will not be available during the day shift.

a. Veazie personnel will respond, when available, with the response vehicle and equipment available to them. Upon notification, Orono will respond for treatment and transport if necessary.

Commented [pm1]: Is this needed? Its presumed that Veazie will respond when available. Also, the rescue may not respond after hours as a member may go POV

### 3. Subcontracting

Orono shall not subcontract or assign in total or in any part of its rights or obligations under the terms of this agreement without the express written consent of Veazie. Any effort to do so without such written consent shall be deemed a breach of this agreement. This clause shall not bar Orono or Veazie from participation in any mutual aid agreement with any other ambulance service to provide services to Veazie or Orono in the event of a disaster.

Commented [ML2R1]: I feel this could be removed.



**Agreement for Emergency Medical Services  
Town of Orono and Town of Veazie**

**4. Insurance**

- a. Orono shall procure and maintain at its expense, during the term of this agreement, Public Liability Insurance for bodily injury and for property damage to any persons and/or property for services provided by Orono that may occur under the provisions of this agreement. Said insurance shall be, at a minimum, in the amount equal to the liability limit set forth in the Maine Tort Claims Act (14 M.R.S. §§8101 to 8118), as may be amended from time to time. Veazie shall also carry Workers' Compensation coverage for its personnel providing services under this agreement.
- b. Veazie shall procure and maintain at its expense, during the term of this agreement, Public Liability Insurance for bodily injury and for property damage to any persons and/or property for services provided by Veazie that may occur under the provisions of this agreement, said insurance shall be, at a minimum, in the amount equal to the liability limit set forth in the Maine Tort Claims Act (14 M.R.S. §§8101 to 8118), as may be amended from time to time. Veazie shall also carry Worker's Compensation coverage for its personnel providing services under this agreement.

**5. Costs**

Except as otherwise provided in this agreement, Orono shall bear all costs and expenses incurred in connection with this agreement, including all Orono costs of equipment and vehicles, all costs of employees engaged in the execution of this agreement, and all expenses of preventive maintenance, upkeep and other expenses involved in the execution of this agreement. Orono shall bill, collect and own all patient service fees arising out of its services hereunder. All revenue generated from patient billing will be allocated for Orono.

Commented [ML3]: I don't feel this is needed. It is clear in the sentence before Orono will collect all patient fees.

- a. Veazie agrees to bear all costs and expenses related to its personnel, equipment, or supplies and assume all liability that arises out of the negligence by the Town of Veazie, or its personnel, volunteers, or anyone else acting under its authority or with its permission, express or implied.

## Agreement for Emergency Medical Services Town of Orono and Town of Veazie

### 6. Special Services

- a. Orono will provide, at no cost to Veazie, restocking of disposable medical supplies used by Veazie emergency first responders in the course of patient services provided under this agreement. This consists of a one for one swap of supplies used at a medical call. Veazie shall notify Orono of the supplies that need to be restocked. At Orono's discretion, Veazie may swap out supplies that may have an expiration date providing they have not expired and may still be used
- b. Orono will assist Veazie as possible with the acquisition of durable medical equipment used in the course of patient services provided under this agreement.
- b.c. Orono will provide **two (2)** portable oxygen cylinders and **one (1)** spare cylinder. Cylinders may be swapped out as necessary.
- c.d. Orono will provide for local emergency medical and ambulance services as is called for in this agreement. Transfers of a non-emergent variety will be handled on a case by case basis and at the sole discretion of the Town of Orono.

Commented [pm4]: Currently being done.

Commented [pm5]: For example, IV fluids, Defibrillator pads etc. We currently do this so they do not go to waste.

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### 7. Term

This agreement shall take effect July 1, 2017 and shall terminate June 30, 2018. This agreement may be extended by Veazie and Orono for an additional three-year period by mutual written agreement of both parties.

The Towns of Orono and Veazie will review the contract for performance and financial impact by March 2018 to ensure the agreement is beneficial for both communities.

### 8. Reimbursement for First Response Services

~~Orono-Veazie shall reimburse Veazie-Orono \$200.00 per call for all EMS calls. responded to by Veazie-licensed EMS responders where Veazie personnel have patient contact and the patient is subsequently transported by an Orono ambulance. Orono-Veazie will provide reimbursement upon receipt of a quarterly bill from Veazie-Orono. Annually, the Town of Orono will review these charges to make sure this agreement is beneficial to both Orono and Veazie.~~

### 9. Breach

In the event of a breach of any terms or conditions of this agreement, the non-breaching party may, at its option, terminate same, provided however, that written notice be given to the other party of any such alleged breach and that the said party fails to cure same within thirty (30) days of receipt of said notice.

**Agreement for Emergency Medical Services  
Town of Orono and Town of Veazie**

**10. Applicable Notice**

Any notice under this agreement shall be in writing, and shall be sent to the Town Manager of the respective municipality at its regular mailing address.

**11. Laws and Jurisdiction**

This agreement and the terms hereof shall be governed by the laws of the State of Maine. Venue and jurisdiction for any dispute regarding this agreement shall be at Penobscot County, Maine, in the courts of the State of Maine.

**12. Breach of Entire Agreement**

A breach by either party of any of the provisions of this agreement shall be deemed to be a breach of the entire agreement. Either party, at its option, may waive such a breach. A waiver shall not be construed to be a continuing waiver of further breaches.

**13. Integration**

This agreement is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof. No course of prior dealings between the parties and no usage or trade shall be relevant or admissible to supplement, explain, or vary any of the terms of this agreement. No representations, understandings, or agreement have been made or relied upon in making this agreement other than those specifically set forth herein. This agreement can only be modified in writing and signed by both parties hereto or their duly authorized agents.

**14. Termination**

Either party may terminate this agreement effective on April 1<sup>st</sup> of each year, without cause upon providing the other party with written notice of termination at least six (6) months prior to the termination date.

The Town of Orono reserves the right, after consulting with the Veazie Town Manager to re-open or opt out of the contract if it is deemed necessary to shut down an ambulance due to budgetary constraints.

**Agreement for Emergency Medical Services  
Town of Orono and Town of Veazie**

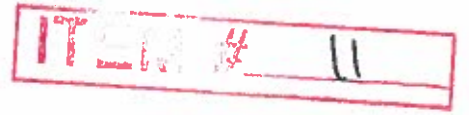
In Witness Whereof, the parties have signed this agreement the day, month and year first written above.

Town of Veazie

By: \_\_\_\_\_  
Mark Leonard, Town Manager

Town of Orono

By: \_\_\_\_\_  
~~Mark Leonard~~ Sophia Wilson, Town Manager



## TOWN OF VEAZIE

Order, Extending the Moratorium on Retail Marijuana Establishments and Retail Marijuana Social Clubs.

WHEREAS, the Veazie Town Council adopted a Moratorium Ordinance concerning retail marijuana establishments and retail marijuana social clubs on November 14, 2016; and

WHEREAS, the Town continues to evaluate the matters cited in the Ordinance and to research and develop proposed conceptual provisions relating to retail marijuana establishments and retail marijuana social clubs for inclusion in the "Land Use Ordinance of the Town of Veazie, Maine" and other Town Codes and Ordinances; and

WHEREAS, the Moratorium Ordinance will automatically stand repealed on May 13, 2017 unless it is extended pursuant to 30-A M.R.S. § 4356; and

WHEREAS, although the Town has been diligently working on the development of proposed amendments to its Land Use Ordinance, Codes, and other Ordinances, additional time is needed to prepare those proposed amendments, for review of the same by the Town Council, for the acceptance of public comment thereon at public hearings, and to enact the final form of any proposed amendments; and

WHEREAS, the Town Council hereby determines that the problems giving rise to the need for the moratorium, as recited in the Moratorium Ordinance, still exist; and

WHEREAS, the Town Council hereby determines that reasonable progress is being made to alleviate said problems by the development of amendments to the Town's current Land Use Ordinance and other Codes and Ordinances.

NOW, THEREFORE, the Town Council of the Town of Veazie hereby orders the following:

1. The Moratorium Ordinance enacted on November 14, 2016 is hereby extended for an additional period of 180 days to November 9, 2017.
2. Pursuant to 30-A M.R.S. § 4356, the Moratorium Ordinance shall stand repealed as of November 9, 2017, unless it is repealed earlier, or extended in accordance with the provisions of § 4356.



# **Manager's Report For April 24, 2017 Council Meeting**

Since the last council meeting here are some things I've been working on as well as things occurring around Town.

The Town's representative from Machias Savings Bank and I had our quarterly meeting in which we discussed how things are working between the two entities.

I attended a meeting held by the Veazie Day Planning Group. A majority of the discussion revolved around the 5K which will be held as part of the event. I will be in charge of mapping out the course as well as contacting potential sponsors. In addition, the School and the PTO will also assist in this event.

The proposed Town and School budgets were submitted to the Budget Committee for review. Both proposed budgets have been approved by the committee. The Committee is pleased with the overall budget.

I attended an award presentation at the US Attorney's Office which was held for S/A Gardner who passed away late last year. Bill Gardner, a Veazie Police Officer accepted the award on behalf of the Gardner family.

I am in the process of updating the ambulance contract with the changes that have been proposed.

I repaired a large pothole that was near the entrance to EMERA/CBE as well as installed a Stop sign at the end of Mt. View that had been knocked down.

A/C Metcalf and I reviewed the proposed FD Contract and forwarded it to the Town Attorney for review. The attorney made one change and the contract has now been forwarded to the FD Union for acceptance. They have accepted the contract with an MOU. The contract will be discussed at the Council meeting with the suggestion from me to approve it as written.

I met with representatives from the Old Town Housing Authority regarding a program they initiated to help keep elders and disabled citizens in their home. I have attached a copy of the brochure for review.

Dean Bennett and I met to review the progress of the Comprehensive Plan update. The progress is moving nicely and appears to be in line with the proposed completion date.

Staff and I worked to schedule carpet cleaning at the municipal building. The cleaning has been scheduled for next week and will be completed without any interruption to services as the company will be in after hours.

# **Manager's Report For April 24, 2017 Council Meeting**

I have been notified by the Penobscot County Emergency Agency that the grants I submitted on behalf of the Fire and School Departments have been tentatively accepted and will be forwarded to the State for final approval. Medical bags for all the classrooms and main office were requested for the School and fire suppression foam and an interactive training program for the Fire Department. We also requested firefighting gear which was not approved.

I have continued the work with the Water and Sewer District to prepare for the approved rebuild of Davis Drive. These discussions continue to be productive and will help with a successful completion of the project.

I continue to work with Lou Silver's Construction to schedule the installation of the water line into the Community Center and with the sprinkler installation company so this project can be completed.

I have met with our representative from Cassella on scheduling dumpsters for our planned spring cleanup. This event is scheduled for April 29<sup>th</sup> and this year I will have the dumpsters here earlier in case people want to place items in them during business hours to hopefully alleviate some of the heavy congestion on the day of the event.

I contacted the contractor for the tennis court to see about a schedule to repair the court. He is waiting for the weather to warm up and believes the work will be completed around mid-June.

## **Attachments:**

1. Maine's Sustainable Forestry Initiative
2. Draft Veazie Planning Board Meeting Minutes from April 3, 2017 meeting
3. MRC Public Meeting Agenda Scheduled for April 26, 2017
4. Housing Authority of the City of Old Town Flyer



# Maine's Sustainable Forestry Initiative <sup>sm</sup>

*Good for you. Good for our forests.®*



March 16, 2017

Dear Sir/Madam,

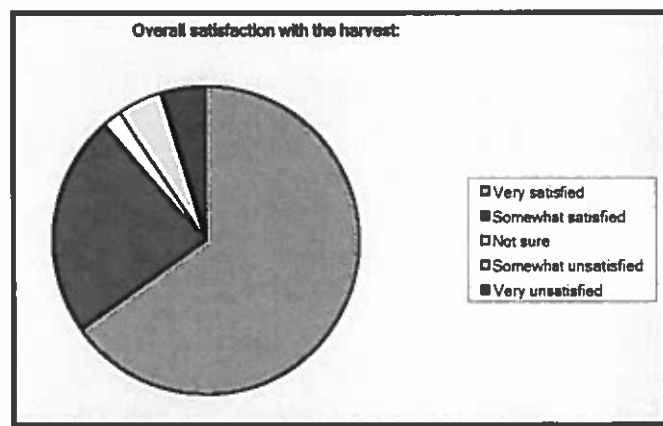
I'm want to share our 2016-2017 report on Maine's Sustainable Forestry Initiative (SFI), which is celebrating its 22<sup>th</sup> year of promoting sustainable management of our state's 17.6 million acres of forestland. Maine's SFI Implementation Committee (SIC) includes landowners, loggers, mills, foresters, government agencies, conservation groups, management companies, recreation representatives, educators and researchers.

Our goal is to continually improve forestry and harvesting practices on the ground. The ME SFI report also includes two programs that are especially important for woodland owners and other members of your community: Maine's Healthy Forest Program and Maine's SFI GOAL program.

## **Maine's Healthy Forest Program**

A new generation of family woodland owners is now seeking information on how to manage their newly acquired property. The Maine Forest Service and Maine's SFI Implementation Committee have responded by developing Maine's Healthy Forest Program (MHFP), which is specifically aimed at providing woodland owners with information to help them achieve their goals for their property. To that end, a website has been developed ([www.mainehealthyforests.org](http://www.mainehealthyforests.org)) to help guide landowners in their new forestry endeavor.

Also available at this website is a "harvest satisfaction" survey for woodland owners who have recently had a timber harvest. Our annual report also contains a report on the early results (at right) of the survey, which was implemented by the Maine Forest Service in 2014 with a significant response from landowners for three consecutive years.



Feedback is essential to understand how forestry services can be better tailored to meet the goals of today's woodland owners. Please encourage landowners to take the time to fill out this survey, which can be found online. ([www.maine.gov/dacf/mfs/projects/healthy\\_forests/harvest\\_survey.html](http://www.maine.gov/dacf/mfs/projects/healthy_forests/harvest_survey.html)).

## **Maine's SFI GOAL Program**

The SFI GOAL program, available since 1997, is a confidential, toll-free hotline established to respond to public questions and concerns regarding forestry and timber harvesting practices in Maine.

Over the years, we've fielded calls throughout the state on concerns ranging from water quality issues to visual impacts of a timber harvest. When we get a call about a specific site, we send forest resource professionals out to study the site.

It's important to understand that this is not an enforcement program. Responding to calls helps SFI identify problem areas and develop education and training programs for loggers, foresters and landowners. In responding to SFI GOAL calls, we've worked effectively with loggers, landowners and foresters, sharing techniques and knowledge to encourage the best possible outcomes.

Our hope is that you will encourage people to call 1-888-SFI GOAL (1-888-734-4625) should they have questions regarding a timber harvest in their area.

If you would like more information on the Sustainable Forestry Initiative, go to: [www.sfmaine.org](http://www.sfmaine.org) or call me at 207-622-9288. I would be happy to answer questions or provide additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Pat Sirois". The signature is fluid and cursive, with a large initial "P" and "S".

Pat Sirois, Program Coordinator,  
Maine SFI Implementation Committee

**PUBLIC MEETING - PLEASE POST**  
**MUNICIPAL REVIEW COMMITTEE, INC. (MRC)**  
**BOARD OF DIRECTORS MEETING**  
**Orono Municipal Building, 59 Main Street, Orono, Maine**  
**April 26, 2017**

***Notice: The MRC Finance Committee meets at 9 AM. Public is welcome to attend.***

**AGENDA**

1. 10:00 AM - Call to Order
2. Consideration of Minutes of January 25, 2017 Regular and February 21, 2017 Special Board of Directors Meetings
3. Finance Committee Report, including: Consideration of the Financial Statement and Bills payable as of April 20, 2017
4. Fiberight Progress to Financial Close – Steve Davey, Fiberight Chief Operating Officer
5. Consideration of Deferral of MRC's termination rights under Section 4.1.(d) of the Development Agreement with Fiberight until August 1, 2017.
6. Report on contingency planning and costs for bridge MSW transfer/transportation
7. Overview of pending decisions to exercise option to purchase project site and utility corridor, enter into an agreement of the Hampden Water District, enter into an MOU with the Town of Hampden, enter into the Phase II Construction Agreement with Sargent Corp and to fund associated project costs and to amend the Master Waste Supply and Site Lease Agreement including adjustments to the rebate structure and the reallocation of project reserve funds.

**NOTE:** Following the overview, staff will report on member feedback received to date and time will be provided to hear input from and to discuss the pending changes with member communities

8. Consideration of Exercise of the Option held with HO Bouchard, Inc to Purchase the Project Site Appropriation: \$260,000
9. Consideration of Exercise of the Option held with Maine Ground Developers, Inc to Purchase the Project Utility Corridor Appropriation: \$160,000
10. Consideration of Agreement with the Hampden Water District to develop infrastructure and reliability upgrades to serve the Fiberight Solid Waste processing and Recycling facility Appropriation: \$202,375
11. Consideration of an Memorandum of Agreement with the Town of Hampden to facilitate development public water infrastructure
12. Consideration of an Amendment to the Road/Utility Infrastructure Project to Include Phase II. Appropriation: \$2,914,362.42
13. Consideration of approval of funding for overhead electric utilities (up to \$160,000) and wetland disturbance In-Lieu-Fees (\$72,124) Appropriation: up to \$232,124

14. Consideration of approval of funding for MDOT Highway Opening Permit Escrow Account (10% of funding will be retained by MDOT upon successful project completion and 90% of funding will be returned to the MRC) Appropriation: \$243,500
15. Report on and preliminary consideration of Amendments to the Master Waste Supply and Site Lease Agreements with Fiberight to implement adjustments to the rebate structure, reallocation of project reserves and other items to reflect level of project commitment and scale all to facilitate project financial close and construction

**12:00PM Break (Lunch Provided)**

16. 2<sup>nd</sup> Quarter 2017 Tipping Fee Calculation
17. PERC Facility Operations Report – Hank Lang, PERC Plant Manager
18. Charter Municipality Asset Management Report – Custody Account, Tip Fee & Operating Budget Stabilization Funds, Consideration of Withdrawal from the Tip Fee Stabilization Fund for Second Quarter Cash Distribution, Tracking of PERC cash distributions to satisfy \$5,400,000 owed per the Settlement Agreement
19. Administrative Report – Waste Deliveries Trends, MRRA Conference, 2016 MRC Financial Audit, Flow Control, Legislative Session, Juniper Ridge Landfill Draft DEP expansion Approval, Departing Municipality Draft Withdrawal Agreement, Amendment to Residuals Disposal Agreement
20. Adjourn

**Members are welcome. Please call ahead 866-254-3507 or 664-1700 if you plan to attend thru the lunch break.**

## Town of Veazie Planning Board

## Minutes of April 3, 2017

**Members Present:** Chairman Don MacKay, Andy Brown, Tony Cappuccio, Karen Walker, Absent Pat Taber, Kent Tableman

**Others present: None**

**Call to Order:** Chairman MacKay called the regular meeting to order at 6:34 p.m. The Board had a quorum. Chairman noted communications from Pat Taber regarding resigning from Board.

Approval of minutes – Approval of March 9, 2017 minutes, motion to approve minutes by Andy Brown and seconded by Tony Cappuccio. Discussion: None. The motion passed 4 to 0.

## New Business

None

### Old Business

None

## Other Business

Completed discussion on open space provisions in the subdivision ordinance.

**Subdivision review complete and ready for public hearing.**

**Site Plan Review discussion next meeting.**

Next meeting scheduled for May 1, 2017.

Meeting adjourned at 8:20pm.

Respectfully submitted,

John Larson

Code Enforcement Officer



Do you want to stay in your home  
as long as you can?

Is your home in need of upgrades  
to make it more accessible?

## Community Aging in Place

The Housing Authority of the City of Old Town's CAP Program helps seniors or disabled folks age safely in their own home by making high quality home safety improvements.

The CAP work categories provide a basic menu of services to start the conversation. You will work closely with our team of aging in place specialists to develop a customized work plan that meets your needs and our maintenance staff will complete the work. Contact us for an appointment today and don't risk another slip, trip or fall.

Free to participate

207-827-6151

### Program Work Categories

#### Safety Check

- Smoke detectors
- CO detectors
- Dryer vent
- Clear exits & egress



#### Bath & Kitchen

- Grab bars
- Shower seats
- Raised toilet seats
- Faucet Levers
- Drawer Pulls
- Handrail Installation
- Doorknob changes

#### Repairs

- Flooring
- Gutters
- Storm/Screen doors
- Steps/existing ramps

### Who may Participate

You must meet the following four criteria:

- Be over the age of 60 years old or have a disability
- Own your own home or live in a home owned by someone in your family
- Live in Old Town, Orono, Milford, Alton, Bradley, Veazie, Greenfield, Greenbush, Hudson or Stillwater
- Annual household income under \$34,100 for one, \$38,950 for two \$43,800 for three, etc.



HOUSING AUTHORITY OF THE CITY OF OLD TOWN

P.O. Box 404 - Old Town, ME 04468-0404

Phone: (207) 827-6151, TTY Relay 711-

[hacot@oldtownhousing.net](mailto:hacot@oldtownhousing.net)

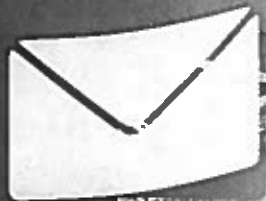
[www.oldtownhousing.net](http://www.oldtownhousing.net)

Catherine LaBree; Program Administrator

Troy Turner; Maintenance Technician







# NEWSLETTER

Municipal Review Committee | 395 State Street | Ellsworth, ME 04605 | [www.MRCMaine.org](http://www.MRCMaine.org)

ISSUE 5.1 | April 2017

## Court Denies PERC's Appeal

*and sends a strong signal that our project adheres to Maine environmental laws and regulations.*

The MRC is delighted with the Maine Business Court's decision last month affirming the actions of the DEP in issuing permits to the MRC and Fiberight for a new recycling, organics and solid waste processing project in Hampden, Maine. No appeals were filed on the judge's decision and the matter is now closed. The court determined:

- DEP issued the project's permits consistent with the laws and regulations governing solidwaste processing facilities.
- The administrative record contained substantial evidence to support DEP's determinations of Fiberight's financial ability; MRC, Fiberight and their consultants' technical abilities to design, construct, operate, maintain and close the proposed facility;
- The project is consistent with the State of Maine's Solid Waste Management Hierarchy;
- DEP's acceptance of Fiberight's self-certification of Post-Hydrolysis Solids as a non-waste is correct; and
- DEP acted consistent with its authority in declining to hold a public hearing while it conducted a typical review of applications through public meetings, public comments, and technical analyses of application materials.

Fiberight President Craig Stuart-Paul said the decision validates, yet again, that the Fiberight/MRC project is good for Maine. He said "PERC filed a frivolous lawsuit in an attempt to derail our efforts to bring an environmentally friendly solution to recycle the State's waste; this ruling confirms that all of the project stakeholders acted responsibly and lawfully. Now we are free of this distraction we will focus on getting construction back on track, ready to accept waste in April next year."

### FAME APPROVES FIBERIGHT FINANCING

*The FAME Board of Directors approved Fiberight's application to qualify the project to finance debt with the best interest rate available. Fiberight has said that the FAME bonds would give them access to tax free financing, which could potentially save on interest costs. The debt financing will be provided by private lenders.*

### UPCOMING MEETINGS

**April 26**

**Finance Committee: 9:00 AM**

**Board Meeting: 10:00 AM**

Orono Municipal Building  
59 Main Street, Orono

### ABOUT THE MRC

The Municipal Review Committee (MRC) is a non-profit association of Maine communities led by an elected, volunteer board of directors. For more than 25 years, the member communities of the Municipal Review Committee (MRC), now numbering more than 180 cities and towns, have used the PERC waste-to-energy incinerator in Orrington to process their municipal solid waste (MSW). After 2018, the contracts with PERC will expire. The MRC has partnered with Fiberight to offer an innovative solution to recycle and process our MSW post 2018.

Visit [www.mrcmaine.org](http://www.mrcmaine.org) or contact Greg Lounder at 207-664-1700 or [gglounder@mrcmaine.org](mailto:gglounder@mrcmaine.org) to learn more about the Municipal Review Committee and to add your name to our email contact list.

### JOIN OUR EMAIL LIST & FOLLOW US ON SOCIAL MEDIA

MRC regularly sends updates and announcements by email to those who have signed up for our alerts.

We also have active Facebook and Twitter accounts, and we've posted informative videos from recent meetings on our YouTube account. All of these are accessible from the homepage of our website, [mrcmaine.org](http://mrcmaine.org)



## Hampden Site Update

Despite the snow this winter, the access road and utilities are ready for Phase II of construction.

> The pump station and access road work were close to completion in early February.



## Food Recovery Hierarchy



## MRC at MRRA

MRC is a proud sponsor of the 24th Annual Maine Resource Recovery Association's Recycling and Solid Waste Conference and Trade Show! If you plan to attend, make sure to stop by our booth and say hello.

Some topics for the conference you'll recognize, like the popular annual "The Good, the Bad, and the Ugly" session from DER. We're particularly interested in the "Food Waste Recovery Hierarchy and Policy Overview" on Monday afternoon. See EPA's hierarchy to the left, which accurately depicts Industrial Uses of food scraps as a higher use than Composting and Landfill/Incineration.

As always, the conference will be a great opportunity to catch up with members. We look forward to seeing you there!

## Member Input Requested for April 26 Board Meeting

MRC is busy at work on a number of final adjustments needed to complete its project development responsibilities and to account for the final project scale and economics. There are pending discussions and decisions that will take place at the next Board Meeting where comments are encouraged by members either before or at the meeting.

The reduction in tonnage and increased number of Departing Members results in a lower reserve than originally anticipated and will require the Board of Directors to consider reallocation of some reserve funds to ensure Joining Members are protected from risk to the maximum extent possible. Furthermore, changes to the proposed rebate structure are necessary to ensure that rebate revenue potential is preserved.

The MRC has posted a memorandum addressing proposed changes on our website ([www.mrcmaine.org/post-2018/](http://www.mrcmaine.org/post-2018/)).

Other items the MRC Board will consider on April 26 in an effort to complete the MRC portion of site development responsibilities are: **(a)** exercise of the option to close on the purchase of the Hampden parcel; **(b)** release funds for Phase II of the road and utility improvements; **(c)** enter into the Phase II construction agreement; **(d)** enter into an agreement with the Town of Hampden to support the Cold Brook Road development route and **(e)** enter into an agreement with the Hampden Water District for water line extension and system reliability improvements.

## ***MEMORANDUM***

**TO:** MRC Board of Directors  
**FROM:** Greg Louder, Executive Director, MRC  
George Aronson, Principal, CRMC  
**RE:** Funding of Joinder Agreement Reserve Funds  
**DATE:** 18 April 2017

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As discussed at the last quarterly meeting, CRMC anticipates that the balance available in the accounts of Joining Members for reserve funds as of March 31, 2018, will be approximately \$12.5 million rather than in the range of \$20.83 million to \$23.33 million. The reduced expected balance reflects the exclusion of (a) \$5.0 million for site acquisition and development that would be paid in 2017; and (b) \$11.6 million that would be reserved for payment to Departing Municipalities in the second quarter of 2018.

The MRC had originally anticipated that Joining Members that are Charter Municipalities would commit to deliver at least 150,000 tons per year of MSW; that Departing Municipalities would be limited to less than 30,000 tons per year of MSW deliveries; and that \$4.17 million to \$4.67 million in cash would be paid out to the Departing Municipalities. Instead, the Joining Members that are Charter Municipalities ended up committing to deliver only 102,513 tons per year of MSW.<sup>1</sup> The result is a gap of up to \$1.267 million as compared to the value of up to \$13.767 million needed for the full amounts of the reserve funds listed in Exhibit B to the Joinder Agreements. The MRC Board will need to revisit the levels at which each reserve fund is set in order to address this gap.

The gap will also need to address the following two additional considerations:

- A potential need for up to \$1.0 million for a Community Development Fund to cover infrastructure improvements not included in the original budget of \$5.0 million for site acquisition and infrastructure development.
- A potential need to segregate the \$3.0 million identified in the Joinder Agreement for a delivery sufficiency reserve fund from other funds, perhaps through deposit in an escrow account held by the project lender and subject to a special account control agreement.

Under these circumstances, CRMC recommends that the Board consider the following revised allocation of reserve funds:

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<sup>1</sup> Charter Municipalities that are Joining Members (excluding Oakland, for which PERC did not collect separate data) delivered 106,200 tons of MSW to PERC in calendar year 2016.

	<i>Joinder Agreements, Exhibit B</i>	<i>Recommendation</i>
Site acquisition and infrastructure development	Up to \$ 5.000 M	\$5.000 M
Community development fund		Up to \$1.000 M
Building reserve fund	Up to \$ 7.000 M	\$4.360 M
Delivery sufficiency reserve fund	Initial amount of \$ 3.000 M	\$3.000 M
Closure reserve fund	\$ 1.167 M	\$0.000
Bridge Waste transportation reserve	Up to \$ 1.000 M	\$1.000 M
Target Value Reserve Fund, first 36 months after the Commercial Operation Date, distribute \$5/ton to Equity Charter JMs and \$3/ton to New Charter JMs Available for later distribution	\$ 1.600 M based on 98,500 tons/year for Equity Charter JMs and 8,800 tons per year for New Charter JMs  \$ 0.000	\$1.600 M   \$1.540 M
Subtotal	Up to \$18.767 M	\$17.500 M
<u>Expended in 2017</u>		
Site acquisition and infrastructure development	(\$5.000 M)	(\$5.000 M)
Community development		(\$1.000 M)
Reserve fund cash need	up to \$13.767 M	\$11.500 M
Projected cash available	\$12.500 M	\$11.500 M
Surplus (funding gap)	(Up to \$1.267 M)	None

The recommendation reflects the following changes:

- Set aside up to \$1.0 million for the Community Development Fund to be spent in 2017. This fund, which would support project needs, would be allocated among Joining Members only.
- Fund the building reserve fund at up to \$4.360 million, which is the amortized value of the building per Exhibit C of the Site Lease at the end of the Initial Term of the Site Lease, rather than at up to \$7.000 million, which is the building value at the start of the Initial Term.
- Eliminate funding of the closure reserve fund at \$1.167 million now that many closure issues have been resolved in the Settlement Agreement. Additional issues related to PERC closure that emerge in 2018 might be funded by offset as a cost of recovering the Debt Service Reserve Fund, which is allocated among all Equity Charter Municipalities, rather than from funds owned solely by Equity Charter Municipalities that are Joining Members.
- Designate remaining funds toward the Target Value Reserve Fund rather than have them remain unassigned.

## MEMORANDUM

TO: MRC Board of Directors  
FROM: Greg Louder, Executive Director  
Dan McKay, Esq., General Counsel  
George H. Aronson, Principal, MRC  
RE: Revisions to the Master Waste Supply Agreement and Site Lease  
DATE: 18 April 2017

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With final permits in place, the MRC is now reviewing the Master Waste Supply Agreement and the Site Lease with Fiberight and its investors and lenders in advance of the closing of construction financing for the facility. The objectives of the review are to ensure that the agreements are consistent with changes in the facility as it has evolved since the agreements were originally drafted, and to continue to protect the positions of the Joining members, while negotiating revisions and amendments that satisfy specific conditions of the financing and keep basic business terms addressed by the agreements. In particular:

- The Master Waste Supply Agreement (the Agreement), which was originally signed by the MRC and Fiberight in January 2016, is being amended and restated for subsequent approval and execution.
- The form of the Site Lease, which had been fully negotiated and included as an appendix to the executed version of the Agreement (but was not executed, because the MRC had not at that time closed on the acquisition of the Hampden site that would be the subject of the Site Lease) is being amended for subsequent approval and execution.

The Joinder Agreements, which have been signed by the MRC and the Joining Members, are not being amended. They will continue to be honored in full force and effect without change. The MRC recognizes that the Joinder Agreements require that the MRC provide Joining Members notice of proposed amendments with an opportunity to be heard prior to any such amendments being executed. This memorandum is intended to alert Joining Members of that opportunity before amendments are final.

The remaining sections of this memorandum provide an updated status of the potential revisions to the Agreement and the Site Lease that are currently being discussed between the MRC and Fiberight and its investors and lenders. Note that the potential revisions are not yet final and some provisions have not been fully negotiated as of this writing. Note in particular that the MRC has not yet received detailed comments on the Agreement and the Site Lease from the project lenders. The purpose of the memorandum is to provide Joining Members with advance notice of provisions that might be changed in advance of finalization of the agreements. Joining Members will be provided an opportunity to be heard regarding changes at the MRC Board meeting scheduled for April 26, 2017.

None of the changes to the agreements would alter the allocation of reserve funds among Charter Municipalities or the distribution of reserve funds to Departing Municipalities.

Joining Members with particular interest in or concerns regarding specific provisions of the Master Waste Supply Agreement or the Site Lease, whether or not identified herein, are urged to contact MRC Executive Director Greg Louder directly in advance of the MRC Board meeting to ensure that their comments, interests and concern can be addressed at the meeting and through the negotiation process.



### Revisions to the Master Waste Supply Agreement

As indicated above, the Master Waste Supply Agreement (the Agreement) as executed in January 2016 is being amended and restated. Material changes to the Agreement being proposed include the following:

1. Signatory and Assignment. The amended and restated version of the Agreement will be signed by a new special purpose entity, Coastal Resources of Maine, LLC (Coastal), which will be the Company for the purposes of the Agreement. Coastal will be owned jointly by Fiberight and its investors. The Agreement will include a new Section 8.1 that will require Fiberight to remain jointly and severally liable for obligations under the Agreement, and that will further obligate Fiberight to provide intellectual property and technical support as required.
2. The Delivery Commitment. The Delivery Commitment is being revised to the value of 102,513 tons per year, which is the sum of the Estimated Delivery Amounts filled in in Section 3.3(a) of each Joinder Agreement that has been executed by the MRC and a Joining Member. The revision will be implemented at multiple locations in the Agreement. These revisions are needed, because the Amendment was drafted with references to the aspirational value for the Delivery Commitment of 150,000 tons per year, which value was not achieved.
3. Definition of Commercial Operation Date. The definition of Commercial Operation Date in the Agreement is being revised to refer to and conform with the definition in the Site Lease, which itself refers to the performance test that will determine when the date occurs.
4. Definition of Force Majeure. The list of items in the definition of Force Majeure is being expanded to include (a) events resulting from delivery of Unacceptable Waste having substantial costs not readily recoverable from insurance proceeds or from an identified negligent party; and (b) invalidation of a flow control ordinance adopted by a Joining Member. Specific language and limits are under review.
5. Carve-out for local food waste and food scrap programs. Per new language in Section 3.1(v), Joining Members are specifically allowed to implement such programs without the consent of the Company.
6. Unacceptable Waste. Section 4.3 is being revised to insert a standard of care for the Company to identify and remove Unacceptable Waste from material delivered to the Facility at the earliest possible point of acceptance and handling, and to allocate the costs for management and disposal and clean-up that might result from deliveries of Unacceptable Waste despite procedures to identify and remove it. Specific language is being negotiated.
7. Remove process for amending the Tipping Fee. Section 5.1 is being revised to delete language on MRC's obligation to facilitate Company presentations of proposed amendments to the Tipping Fee, which language was often received with confusion during the period when Joining Members were considering approval of Joinder Agreements.

8. Construction Date Schedule. The date by which the Company must achieve the Construction Date is being moved out to August 1, 2017. This affects both the termination rights in Section 10.1 and a related MRC obligation in Section 3.2.
9. Investor rights and benefits. The language in Section 12 on investor rights and benefits has not yet been reviewed by the lender's counsel and will likely need to be revised to reflect lending requirements.
10. Invalidation of flow control ordinances. A new Section 13.5 is being added to provide a response process for the unlikely contingency in which a flow control ordinance is challenged and then invalidated by a court.
11. Exhibit B. The description of the calculation of the Delivery Sufficient Payment is being revised to delete the references to deriving an upper limit based on data from the Closing Pro Forma, which derivation is inconsistent with the current pro forma and the approach to construction financing.
12. Exhibit F on Rebates. The Rebate Calculation is being revised to account for the changed economics of the current facility concept and the change in risk profile that results from having a Delivery Commitment of 102,513 tons per year as compared to the 150,000 tons per year that was contemplated in 2015. Among the changes are the following:
  - New formula and parameters. Rebates will still be paid quarterly on the basis of revenue received in the prior quarter, but the calculation formula is being changed. The new formula will involve three steps of rebate payments based on achieving three threshold levels of total revenues from tipping fees and material and product sales, with the rebate amount being five percent for all amounts above the first threshold; an additional ten percent of amounts above the second threshold; and an additional fifteen percent of amounts above the third threshold. The threshold levels are still under discussion. Note that the prior version of the calculation had based rebate payments on thirty percent of tipping fees above one threshold and thirty percent of material and product revenues above a second threshold. The new version of the formula has rebates begin at a somewhat lower level, then phase in until the marginal contribution of additional revenues under the new formula is the same as was the case under the old formula.
  - Rebate payment thresholds conditions. Payment of rebates is conditioned on satisfaction of certain "threshold conditions", including compliance with debt-related and equity investor-related covenants under applicable financing agreements; maintaining a minimum debt service coverage ratio; receiving tip fees in excess of an annual tip fee rebate threshold; Joinder Member payment of tipping fees payable; and MRC payment of amounts payable under the Master Waste Supply Agreement or Site Lease. In addition, payment of rebates is conditioned on satisfaction of a threshold condition on distribution of cash to the investors.
  - Bolt-on concept for revenue upgrade projects. A new concept has been added whereby the Company can get a preferential return on new capital investments in the facility ("Revenue Upgrade Projects") that might provide a substantial increase in material or product revenues. In exchange, the Company agrees to provide the MRC with rebates at the levels that would have

been achieved without the Revenue Upgrade Project until the Company has achieved a return of and on its capital investment. This provision provides the Company with an extra incentive to invest in upgrades to the facility that increase its revenues, while allowing the MRC and Joining Members to ultimately share in the resulting revenue improvements.

- Company ability to offset payables against rebate amounts and to propose changes in the rebate parameters. These provisions have generally the same effect as in the prior version, although language related to specific offsets has been moved to the body of the Agreement.

In addition to the Rebates, the new Exhibit F identifies and defines two new potential streams of payments that would flow to the accounts of Joining Members outside of the rebate calculation and independent of compliance with the rebate threshold conditions. These are:

- Payments of \$2.21 per ton to the MRC from tipping fees paid by municipalities that have become Joining Members, but were not Charter Municipalities (Burlington, Lowell and Frenchboro).
- Payments of up to \$2.21 per ton to the MRC from tipping fees in excess of \$70.00 per ton (escalating from 2018) paid by or on behalf of municipalities that were Departing Municipalities.

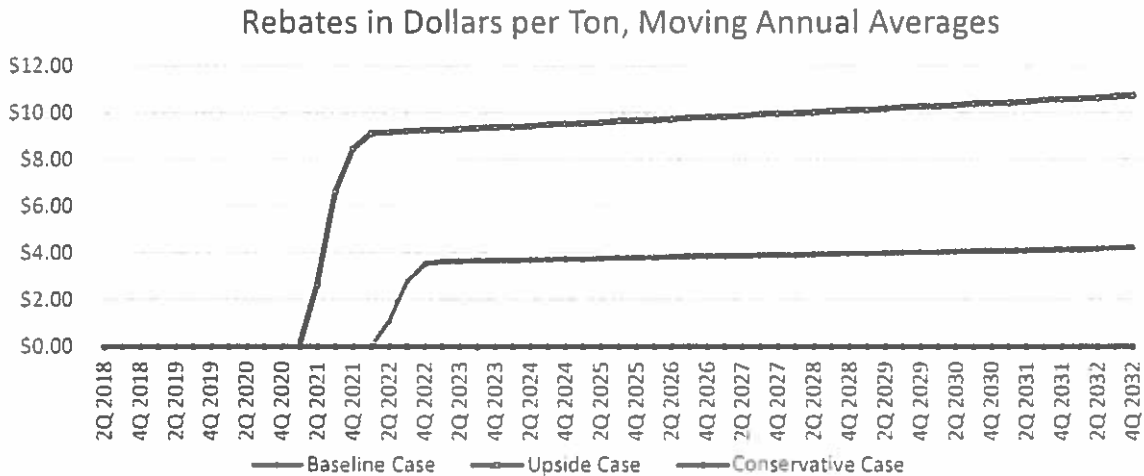
The rebate formula, thresholds and parameters are being negotiated in good faith to share the value of operating revenues in excess of baseline values between the Joining Members and the Company on a fair and reasonable basis. Both the MRC and the Company acknowledge that there is no guarantee that either the desired levels of Rebates or the targeted levels of return on investment will be achieved.

As before, the ability to achieve desired rebate levels will depend on the amount of waste delivered and processed from Joining Members and from other entities; the tipping fees charged for deliveries from other entities; the quantities and types of materials recovered and products produced; and the prices obtained for sales of the recovered materials and produced products. To prepare projections of the rebate levels that might be achieved, the MRC has reviewed three scenarios for facility operations that have been prepared by Fiberight and its investors:

- A baseline case that involves favorable levels of waste deliveries and tipping fees, and favorable levels of prices for recovered materials and produced products.
- A conservative case that involves plausible, but less favorable, levels of waste deliveries, tipping fees, and prices for recovered materials and produced products.
- An upside case that involves aspirational levels of waste deliveries, tipping fees, and prices for recovered materials and produced products.

The figure provided below provides rough projections of rebate payments in dollars per ton over the 15-year term of the Agreement for each of the three cases identified above – the base line case, the conservative case and the upside case.





As shown,

- For the baseline case, rebates begin in 2022 and achieve the range of three to five dollars per ton on a moving annual average basis.
- For the upside case, rebates begin in 2021 and achieve the range of nine to eleven dollars per ton on a moving annual average basis.
- For the conservative case, there would be no rebates.

Actual rebate amounts are anticipated to vary greatly from quarter to quarter, with higher rebates in the summer when waste quantities increase and market tipping fees tend to increase, and lower rebates in the winter when waste quantities decline and market tipping fees tend to decrease. Generally, the levels of rebates are somewhat below what had been projected for comparable market conditions for a facility that would have been based on a guaranteed delivery level of 150,000 tons per year. Note, however, that rebates will increase to the benefit of Joining Members as and to the extent that additional waste is delivered to the Facility by municipalities that are not Joining Members.

The graph does not account for specific bolt-on revenue upgrade projects that, if implemented as anticipated in the early years, could add substantially to the rebate levels.

The graph also does not account for the new payments to the MRC and Joining Members of up to \$2.21 per ton from tipping fees paid by Joining Members that were not Charter Municipalities and from Departing municipalities. If such municipalities deliver 30,000 tons per MSW at tipping fees, and the market tipping fee exceeds \$75 per ton, then such payments would amount to \$66,300 per year, which is equivalent to about \$0.65 per ton if allocated among 102,513 tons of waste deliveries.

### Revisions to the Site Lease

As indicated above, the form of Site Lease that was attached to the executed version of the Master Waste Supply Agreement (the Agreement) as executed in January 2016 is being amended. Material changes to the Site Lease being proposed include the following:

1. Signatory and Assignment. The amended and restated version of the Agreement will be signed by a new special purpose entity, Coastal Resources of Maine, LLC (Coastal), which will be the Company for the purposes of the Agreement. Coastal will be owned jointly by Fiberight and its investors. The Agreement will include new conforming language that will require Fiberight to remain jointly and severally liable for obligations under the Agreement, and that will further obligate Fiberight to provide intellectual property and technical support as required.
2. The Delivery Commitment. The Delivery Commitment is being revised to the value of 102,513 tons per year, which is the sum of the Estimated Delivery Amounts filled in in Section 3.3(a) of each Joinder Agreement that has been executed by the MRC and a Joining Member. The revision will be implemented at multiple locations in the Site Lease. These revisions are needed, because the Site Lease was drafted with references to the aspirational value for the Delivery Commitment of 150,000 tons per year, which value was not achieved.
3. Electric power. Per Sections 4.2(b) and 4.3(a), the MRC will provide electric power to the site, but the Company would be responsible for any improvements required to implement an electrical interconnection for export of electricity (which is not anticipated at this time).
4. Schedule. New dates consistent with current construction plans will be identified for the Construction Access Date and the Infrastructure Completion Date in Section 7.2. The date by which the Company must achieve the Construction Date to avoid an event of default per Sections 6.1 and 18.1 would be moved out to August 1, 2017.
5. Performance Test. The description of the Performance Test in Section 7.4 is being revised to reflect the anticipated design and capacity of the facility.
6. Insurance coverage requirements. The minimum insurance coverage requirements in Section 15.1 have not yet been determined.
7. Investor rights and benefits. The language in Section 19 on investor rights and benefits has not yet been reviewed by the lender's counsel and will likely need to be revised to reflect lending requirements.
8. Exhibit B. The description of the facility will need to be revised to reflect current plans.
9. Exhibit C. The building and property values will need to be revised to reflect current estimates, as had been anticipated in the footnote to the exhibit.