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November 2, 2016

The Honorable Dannel P. Malloy
Governor
State of Connecticut
Executive Chambers
State Capitol
Hartford, CT 06106

RE: Connecticut General Statutes Section 22a-263
Quarterly Report of Materials Innovation and Recycling Authority Operations
For the Quarter Ending June 30, 2016

Dear Governor Malloy:

Attached please find the quarterly report of operations of the Materials Innovation and Recycling Authority¹ (the "Authority") for the Fourth Quarter of Fiscal Year 2016 (April 1, 2016 through June 30, 2016) as required by Connecticut General Statutes Section 22a-263 (the "Statute").


During Fiscal Year 2016, the Authority's operations consisted primarily of the Connecticut Solid Waste System (CSWS). The Authority began transitioning financial control of its Southeast Project to the Southeastern Connecticut Regional Resource Recovery Authority (SCRRA) in the first quarter of fiscal year 2016, and by the end of the second quarter; the Authority no longer recognized Southeast Project revenues or expenses on its financial statements. The Mid Connecticut Project remains active on the Authority's financial statements solely for project closeout activities. The Authority also maintains a Property Division and a Landfill Division for assets no longer in service to its projects. Therefore, the referenced Statute's requirements are reported separately for each project and division.

If you have any questions on these or other matters, or if I may provide additional information, please contact me directly at 860-757-7777.

Best regards,

A handwritten signature in black ink, appearing to read "T. D. Kirk", is written over the typed name.

Thomas D. Kirk
President

cc: Mark Daley, Chief Financial Officer 
Laurie Hunt, Esq., Director of Legal Services
Deepa Krishna, Manager of Accounting and Financial Reporting
Jeffrey Duvall, Director of Budgets and Cash Management

¹ Formerly Connecticut Resources Recovery Authority



**MATERIALS INNOVATION AND
RECYCLING AUTHORITY**
A Component Unit of the State of Connecticut

**CT GENERAL STATUTES SECTION 22a-263
QUARTERLY REPORT
FOR
QUARTER ENDING JUNE 30, 2016**

▪ A listing of the number and type of waste management service contracts entered into with local government units and persons, and the charges therefore; a listing of the contracts entered into for the services of private industry in the operation of systems and facilities:

<u>Name</u>	<u>Type of Contract</u>	<u>Revenues</u> <u>(Expenses)</u>	<u>Project</u>
Office of the State Comptroller	Memorandum of Understanding	No Amount	All Projects/Divisions
Daymark Energy Advisors	Electric Power Marketing Professional Services	\$ (13,244.00)	CSWS
HDR Engineering	General Engineering, Environmental Consulting	\$ (10,564.00)	CSWS
Algonquin Gas Transmission	Waterbury Landfill Lease Agreement	\$ 33,120.00	Landfill Division
Electrical Energy Systems Corporation	Medium Voltage Interconnection from Mira to Hftd DPW	\$ (391,784.00)	Landfill Division
Greenskies Renewable	Access and Use Option Agreement-217 Sadds Mill Road	\$1,000/monthly	Landfill Division
Greenskies Renewable	Access and Use Ooption Agreement-Waterbury Landfill	\$1,000/monthly	Landfill Division
Lend Lease Energy	Access and Use Option Agreement-Wallingford	\$ 5,200.00	Landfill Division
MIRA, CL&P, City of Hartford	Process Generator Interconnection Agreement	On call	Landfill Division
Kainen, Escalera & McHale	Legal Services for MDC Arbitration	\$ (100,000.00)	MidCT
Mr. Valuation Consulting	Real Estate Services Agreement	\$ (26,820.00)	Property Division

Note:

Authority = MIRA general administrative expenses

Expenses are contracted amounts

Revenues are actual revenues earned.

STATUS OF OUTSTANDING BONDS ISSUED AS OF JUNE 30, 2016

PROJECT / Series	Moody's Rating	Standard & Poor's Rating	X= SCRF-Backed ¹	Dated	Maturity Date	Original Principal (\$000)	Principal Outstanding (\$000)	On Authority's Books (\$000)
SOUTHEAST PROJECT								
2010 Series A - Project Refunding ²	Aa3	AA	X	12/02/10	11/15/15	27,750	0	-
CORPORATE CREDIT REVENUE BONDS								
1992 Series A - Corporate Credit	Ba1	NR	--	09/01/92	11/15/22	30,000	30,000	-
2001 Series A - Covanta Southeastern Connecticut Company-I	Ba1	NR	--	11/15/01	11/15/15	6,750	0	-
2001 Series A - Covanta Southeastern Connecticut Company-II	Ba1	NR	--	11/15/01	11/15/15	6,750	0	-
TOTAL PRINCIPAL BONDS OUTSTANDING							<u>30,000</u>	<u>-</u>

¹ SCRF = Special Capital Reserve Fund of the State of Connecticut.

² The 2010 Series A Bonds refunded the 1998 Series A Bonds originally issued in the amount of \$87,650,000 on August 18, 1998.

NR = Not Rated

Note: As of June 30, 2016, the Southeast Project had \$30 million of total outstanding debt that is not carried on the Authority's books. This includes only the 1992 Series A Corporate Credit Revenue Bonds. During fiscal year 2016, the Authority's Resource Recovery Revenue Refunding Bonds (Covanta Southeastern Connecticut Company Project – 2010 Series A) supported by a Special Capital Reserve Fund (SCRF) with the State, matured and were fully paid, as were two additional series of Corporate Credit Revenue Bonds. With maturity of the 2010 Series A Refunding Bonds, there is no longer any contingent liability of the State via a SCRF associated with the Authority.

A schedule of the amounts of waste received and processed in such facilities:

Facility	Tons Received for the Quarter Ending 6/30/16	Tons Processed for the Quarter Ending 6/30/16
CSWS	161,267	156,412
Southeast	-	-

A budget showing the administrative expenses of the Authority:

Project / Division	Adopted FY2016 Budget (\$000)
CSWS	3,272
Mid-Connecticut Project	407
Property Division	714
Southeast Project	396
Landfill Division	41
Total	4,830

Note: On November 15, 2015 the Southeast Projects Series A Refunding Bonds dated December 1, 2010 matured and were fully paid.

On 12/15/15 ownership of Southeast Project Resource Recovery Facility transferred to Covanta.

A report of revenues of the Authority from all sources and of the redistribution of any surplus revenues:

	Revenues received for the Quarter Ending 6/30/16 (\$000)⁽¹⁾		Redistribution for the Quarter Ending 6/30/16 (\$000)	
CSWS	\$	14,280	\$	-
Landfill Division	\$	186	\$	-
Mid-Connecticut Project	\$	8	\$	-
Property Division	\$	1,793	\$	181 ⁽²⁾
Southeast Project ⁽⁴⁾	\$	-	\$	5,875 ⁽³⁾

⁽¹⁾ Revenues include Operating, Investment and Other income

⁽²⁾ Distribution to former Bridgeport and Wallingford towns.

⁽³⁾ Distribution of funds to SCRRA after the Southeast bonds matured.

Note: Member tipping fees are established based on the municipality's tiered contractual arrangement.

The tiered rates for FY16 are as follows:

<i>Tier 1 short-term</i>	<i>\$64.00</i>
<i>Tier 1 long-term</i>	<i>\$62.00</i>
<i>Tier 2</i>	<i>\$66.00</i>
<i>Tier 23</i>	<i>\$62.00</i>
<i>Tier 4</i>	<i>\$65.00</i>

The non-member tipping fees vary by individual contract.

⁽⁴⁾ Pursuant to the transfer of financial control of MIRA's Southeast Project to SCRRA, the Authority recognized Southeast Project electricity sales revenue through September 2015 and Southeast Project waste delivered tons and delivery revenue through October 2015. The Authority used these funds for payment of project expenses through November 30, 2015.

A map and listing showing the location of all facilities owned or leased by the Authority:



MIRA Connecticut Solid Waste Operations

MIRA Connecticut Solid Waste System

- Trash-to-energy plant, recyclables processing facility and MIRA Trash Museum in Hartford
- Transfer stations in Essex, Ellington (closed), Torrington and Watertown
- Durham, Litchfield, Manchester, Middlefield, Naugatuck, Salisbury, Sharon, Simsbury and South Windsor deliver trash but not recyclables. Residents may participate in MIRA electronics-recycling and paper-shredding events.

- Tier 1 long-term with recycling without recycling
- Tier 1 short-term with recycling without recycling

- Tier 2
- Tier 3

MIRA Southeast Project
 Trash-to-energy plant in Preston



On November 15, 2015 the Southeast Projects Series A Refunding Bonds dated December 1, 2010 matured and were fully paid.

MIRA Owned Property				
Street Address	City	State	Zip	Property Use
6 Howard Avenue	Bridgewater	CT	06604	MIRA owns land only Land is leased to Wheelabrator
171 Murphy Road	Hartford	CT	06114	Adjacent to CSWS Recycling Center
211 Murphy Road	Hartford	CT	06114	Recycling Center and Trash Museum
300 Maxim Road	Hartford	CT	06114	Constitutes the CSWS Waste-to-Energy Facility WPF Facility
1 Reserve Road	Hartford	CT	06114	PBF Facility
1 Reserve Road	Hartford	CT	06114	Jets Facility
Vista Drive	Torrington	CT	06790	Torrington Transfer Station
Echo Lake Road	Watertown	CT	06795	Watertown Transfer Station
1410 Honeyspot Road Extension	Stratford	CT	06615	Recycling Center and Garbage Museum
140/217 Sadds Mill Road	Ellington	CT	06029	Closed July 1, 2013 Ellington Landfill and Transfer Station
866 River Road (Route 110)	Shelton	CT	06484	Closed 1998 Shelton Landfill
109 Nichols Drive	Waterbury	Ct	06708	Closed November, 2009 Waterbury Landfill
Pent Road	Wallingford	CT	06492	Adjacent to the Wallingford Landfill
MIRA Leased Property				
Street Address	City	State	Zip	Property Use
Town Dump Road	Essex	CT	06442	Owned by the Town of Essex Essex Transfer Station
200 Corporate place	Rocky Hill	CT	6067	Office Space
MIRA Property with access agreements				
Street Address	City	State	Zip	Property Use
189 Leibert Road	Hartford	CT	06120	Stopped Operating 12/2008 Hartford Landfill

(A) Ellington Landfill Site consists of the following:

1. Landfill proper (27 acres)
2. MIRA owns adjacent parcel upon which Transfer Station is located (14 acres) Ellington Transfer Station
3. MIRA owns former Thompson Family Land Trust property: 58 acres (plume control)
4. MIRA owns former Art Barber property: 20 acres (plume control)
5. MIRA owns former Charette property: 1.3 acres (plume control)
6. MIRA owns former B&L Dev Corp property: 5.3 acres (plume control)

(B) Shelton Landfill Site consists of the following:

1. Landfill proper (SMUs = 49 acres; entire property = 110 acres)
- a. Includes 1.2 acres leased to City of Shelton for Muni Transfer Station Operation
2. MIRA owns Former Crump Parcel: 6.3 Acres (Plume control)

(C) Waterbury Landfill Site includes the following:

1. Landfill is owned by MIRA (5.2 acres)
2. Adjacent Property (11.8 acres) MIRA retains the property for the benefit of the Bridgeport Project Municipalities

(D) Wallingford Landfill Site includes the following:

1. Former Barbarino Property: 45 Acres (Plume control) (Algonquin Gas Line Easement)

(E) Hartford Landfill Site includes the following:

1. Landfill is owned by City of Hartford (SMUs = 96 acres; entire parcel = 124 acres) Owned by City of Hartford
Hartford landfill is certified closed as of 2/15. MIRA has installed owns and operates a photovoltaic solar panel system location on a portion of the property and therefore MIRA has entered in to a site access agreement with City of Hartford.