

MATERIALS INNOVATION AND RECYCLING AUTHORITY

A Component Unit of the State of Connecticut

CT GENERAL STATUES SECTION 22a-263 ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2017



200 CORPORATE PLACE Suite 202 ● Rocky Hill ● CONNECTICUT ● 06067 ● TELEPHONE (860) 757-7700 FAX (860) 757-7740

November 14, 2017

The Honorable Joe Aresimowicz Speaker of the House Legislative Office Building, Room 4105 300 Capitol Avenue Hartford, CT 06106 The Honorable Martin M. Looney President Pro Tempore of the Senate Legislative Office Building, Room 3300 300 Capitol Avenue Hartford, CT 06106

RE: Connecticut General Statutes Section 22a-263

Annual Report of Materials Innovation and Recycling Authority Operations For the Fiscal Year Ending June 30, 2017

Dear Speaker Aresimowicz and President Looney:

Attached please find the annual report of operations of the Materials Innovation and Recycling Authority (the "Authority") to the Connecticut General Assembly for the Fiscal Year ending June 30, 2017, as required by Connecticut General Statutes Section 22a-263 (the "Statute").

During Fiscal Year 2017, the Authority's operations consisted primarily of the Connecticut Solid Waste System (CSWS). The Authority operates the Connecticut Solid Waste System (CSWS) and separately maintains a Property Division and Landfill Division for reporting its other financial activities. The Authority's Mid-Connecticut and Southeast projects remain active only for close out purposes. Therefore, the Statute 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.

Sincerely,

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 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:

Name	Type of Contract	Revenues (Expenses)	<u>Project</u>
Alternative Resources, Inc.	Agreement for Engineering, Consulting and Power Product Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product	0.011	
Analytical Consulting Technology	Profesional Services Agreement for Engineering, Consulting and Power Product	On Call	Authority
Arcadis, US, Inc.	Profesional Services	On Call	Authority
CK Environmental, Inc.	Agreement for Engineering, Consulting and Power Product Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product	0- 0-11	4 4 . 5
D&B Engineers, LLC	Profesional Services Agreement for Engineering, Consulting and Power Product	On Call	Authority
Daymark Energy Advisors, Inc.	Profesional Services	On Call	Authority
Diversified Technology Consultants	Agreement for Engineering, Consulting and Power Product Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product		
uss & O'Neill, Inc.	Profesional Services	On Call	Authority
Gershman, Brickner & Bratton	Agreement for Engineering, Consulting and Power Product Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product		
SNCB Consulting Engineers, P.C.	Profesional Services Agreement for Legal Services-Authority Budget	On Call (\$50,000)	Authority Authority
Halloran and Sage Halloran and Sage	Agreement for Legal Services-Audionty Budget Agreemente for Legal Services-FOIA Complaint	(\$25,000)	Authority
	Agreement for Engineering, Consulting and Power Product	On Call	
Hatch Mott MacDonald	Profesional Services Agreement for Engineering, Consulting and Power Product	On can	Authority
IDR Engineering, Inc.	Profesional Services	On Call	Authority
Hooker & Holcombe	401k Plan Services Agreement	On Call	Authority
van i i i i	Agreement for Engineering, Consulting and Power Product	On Call	A 41 i
HRP Associates, Inc. Kainen, Escalera and McHale, PC	Profesional Services Agreement for Legal Services-Employment Matters	On Call (\$25,000)	Authority Authority
Camen, Escalera and Micriale, PC	Agreement for Engineering, Consulting and Power Product	(025,000)	Authority
Kleinschmidt Association	Profesional Services	On Call	Authority
	For Wholesale Electric Rate Forecasts for the ISO New	(\$8,500) Not-to- Exceed	A 41
La Capra Associates, Inc.	England Control Area Agreement for Engineering, Consulting and Power Product	Exceen	Authority
angan CT, Inc.	Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product	On Call	A 41 14
Loureiro Engineering Associates	Profesional Services Agreement for Engineering, Consulting and Power Product	On Call	Authority
Milone & Macbroom, Inc.	Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product		
Power Advisory, LLC	Profesional Services Agreement for Engineering, Consulting and Power Product	On Call	Authority
Project Management Associates	Profesional Services	On Call	Authority
	Agreement for Engineering, Consulting and Power Product	0.01	
TRC Engineering Corporation	Profesional Services Agreement for Engineering, Consulting and Power Product	On Call	Authority
Van Zelm Heywood & Shadford, Inc.	Profesional Services	On Call	Authority
Zuvic, Carr Associates, Inc.	Agreement for Engineering, Consulting and Power Product Profesional Services	On Call	Authority
cavic, Cari Associates, inc	Service & Repair DVR's for Watertown, Torrington, Essex,	On Call Authority	
ADT Security Systems	RRC and WPF	Term Sheet	CSWS
CWPM, Inc.	Agreement for Equipment rental at Essex & Watertown Agreement for the Purchase of Sale of Renewable Energy	(\$5,868)	CSWS
Eversource	Certificates	(\$19,500)	CSWS
Halloran and Sage	Agreemente for Legal Services-CSWS	(\$50,000)	CSWS
	Agreement for Services for Consulting, Engineering and Land	(\$21,298) total for	CONTR
Loureiro Engineering Associates	Surveying Services Agreement for South Meadows Resource Recovery Facilty and	3 yrs	CSWS
Nextera Energy Resources, LLC	Jet Turbine Facility	On Call	CSWS
	Agreement for Engineering, Consulting and Power Product	Om Oc!!	Cewe
Project Management Associates	Profesional Services	On Call	CSWS
TRC Environmental Corporation	Odor Monitoring-CT Solid Waste Systems	(\$30,000) (\$31,000) Not-to-	CSWS
JSDA Wildlife Services	Cooperative Service Agreement	Exceed	CSWS
	Agreement for Services for Power Marketing Professional	(\$47,500) Not-to-	CSWS & Property
Daymark Energy Advisors, Inc.	Services	Exceed	Division

• 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:

Halforan and Sage	Request for Legal Services-Landfill Division-General Counsel	(\$5,000)	Landfill
U.S. Solar Corporation	Access and Use Option Agreement	Revenue	Landfill
Cohn Birnbaum Shea	South Meadows Exit Strategy	(\$30,000)	Mid-Conn
Halloran and Sage	Agreement for Legal Services-MDC Arbitration	(\$250,000)	Mid-Conn
Kainen, Escalera and McHale, PC	Agreement for Legal Services-MDC Arbitration	(\$250,000)	Mid-Conn
Cohn Birnbaum Shea	Agreement for Legal Services for Stratford	(\$10,000)	Property Division
Halloran and Sage	Agreement for Legal Services-Property Division	(\$25,000)	Property Division
	Agreement for Services for Power Product Professional		
HRP Associates, Inc.	Services	On Call	Property Division
Pfizer, Inc.	Agreement for Sales of Emission Reduction Credits	(\$39,000)	Property Division
Halloran and Sage	Agreement for Legal Services-Southeast Project	(\$10,000)	Southeast
*	Agreement for Engineering Services @ CSWS Recycling		
Hatch Mott MacDonald	Facility	(\$18,729.00)	CSWS
Fuss & O'Neill, Inc.	Agreement for Hartford Landfill Solar for EFG Failure Agreement for the Purchase and Sale of 1410 Honeyspot Road,	(\$4,200.00)	MidConnecticut
Arnec Holding, LLC	Stratford, CT	\$4,797,775,32	Property Division
unio Mining, DEC	Agreement for Short Term Lease on purchase of 1410		THE PROPERTY OF
Amec Holding, LLC	Honeyspot Rd, Stratford, CT	\$85,066.68	Property Division
Eversource	Agreement for Temporary Work Space	\$0.00	Property Division
	A C C C C C C C C C C C C C C C C C C C	(05.055.00)	B (B) ()
Vimini Valuation	Agreement for Commercial & Industrial Real Estate Services	(\$5,957.00)	Property Division
Vimini Valuation	Agreement for 171 Murphy Road, Hartford, CT	\$0.00	Property Division
Vimini Valuation	Agreement for 1410 Honeyspot Rd., Stratford, CT & 171 Murphy Rd., Hartford, CT	(\$9,575.00)	Property Division
Peoples United Insurance/R.C. Knox	Health/Welfare Broker of Record Services Agreement	No Payment	General
Project Management Associates, LLC.	Draft RRF Renewal Permit - Request For Service related	(\$1,475.00)	General
Toject Wanagement Associates, EDC.	to existing Engineering, Consulting and Power-Product	(\$1,175.50)	
	Professional Services Agreement		
Vimini Associates/Vimini Valuation Services	Brokerage Agreement for Leasing of 211 Murphy Road,	Nothing unless	Property Division
	Hartford, CT - Request For Service related to existing on-	we lease the space	
	call Commercial And Industrial Real Estate Services		
	Agreement		
Wheelabrator Technologies, Inc.	Agreement for Transportation & Disposal of Ash Residue	\$61.00/per ton	CSWS
<i>z</i> ,	from CSWS RRF		
Tony's Trucking Company, Inc.	Agreement for Delivery of Solid Waste and Recyclables	\$10,264.32	CSWS
Arcadis, U.S. Inc.	Agreement for MIRA Transfer Staton Feasibility Study	(\$75,340)	Authority
		Not-to-Exceed	CSWS
Environmental Capital, LLP	Economic Advisory Services Agreement	(\$40,000)	CSWS
	Engineering, Consulting & Power Product Services	(802.250)	CSWS
HDR Engineering, Inc.	Agreement	(\$92,350)	Ceme
RRR & Maintenance, Inc.	Solid Waste/Recyclables Delivery Agreement	\$200 - Permit fee	CSWS
PDG Posicionario I I	First Amendment to Air Emissions Testing at CSWS	(\$16.400)	CSWS
TRC Environmental, Inc.	Power Block Facility Solid Worte/Powelships Delivery Agreement	(\$16,400)	CSWS
Willimantic Waste Paper	Solid Waste/Recyclables Delivery Agreement Agreement for Medium Voltage Interconnection	\$500 - Permit fee (\$3,813)	Landfill
Electrical Energy Systems Corporation	Access and Use Option Agreement-Waterbury Landfill	\$7.733	Landfill
Greenskies Renewable Energy Pfizer, Inc.	Agreement for Sale of Emission Reduction Credits	(\$81,500)	Property Division

Note:

Authority = MIRA general administrative expenses

PD= Property Division

CSWS = Connecticut Solid Waste System

Expenses are contracted amounts

Revenues are actual revenues earned.

Above list includes multiple Request for services generated from a single contract with a vendor.

Contracts are listed based on effective date of the contract

STATUS OF OUTSTANDING BONDS ISSUED AS OF JUNE 30, 2017

<u>Southeast Project Bonds</u>: The 2010 Series A Project Refunding Bonds matured and were fully paid during fiscal year 2016 and the State's contingent liability no longer exists.

The Authority was not obligated for the repayment of debt on the 1992 Series A Corporate Credit Bonds that matured and were fully paid in November 2016 or the 2001 Series A Covanta Southeastern Connecticut Company I and II bonds that also matured and were fully paid during fiscal year 2016. The payment of debt on these bonds is not guaranteed by the Authority or the State. Therefore, the Authority does not record the assets and liabilities related to these bond issues on its financial statements.

There are no outstanding bonds as of June 30, 2017,

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

	Tons Received for	Tons Processed for
	the Year Ending	the Year Ending
Facility	6/30/17	6/30/17
CSWS	643,242	622,673

A budget showing the administrative expenses of the Authority:

	Adopted FY 2017
Project / Division	Budget (\$000)
CSWS	3,161
Mid-Connecticut Project	253
Property Division	590
Landfill Division	136
Total	4,140

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

	es received for the ar Ending 6/30/17 (\$000) ⁽¹⁾	ribution ⁽²⁾ for the ar Ending 6/30/17 (\$000)	Redistr the Y	ccrual ⁽³⁾ for ribution for ear Ending 0/17 (\$000)
CSWS	\$ 55,242	\$ •	\$	
Landfill Division	\$ (15)	\$ 1992	\$	160
Mid-Connecticut Project	\$ 81	\$ (#X	\$	(4)
Property Division	\$ 11,312	\$	\$	-
Southeast Project (4)	\$ 6	\$ 383	\$	3.60

⁽¹⁾ Revenues include Operating, Investment and Other income (Sale of assets) (2) There was no redistribution as of 6/30/17.

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

The tiered rates for FY17 are as follows:

Tier 1 short-term	\$ 66.00
Tier 1 long-term	\$ 64.00
Tier 2	\$ 66.00
Tier 3	\$ 64.00
Tier 4	\$ 66.00

The non-member tipping fees vary by individual contract.

⁽³⁾ There are no accruals for the redistribution as of 6/30/17.

A listing of towns participating in the Authority's Connecticut Solid Waste System.

Tier 1 Long (MSW & Recycling)

Avon
Bethlehem
Bloomfield
Canaan
Canton
Clinton

Colebrook

Cornwall
Deep River
East Granby
East Hampton

Ellington
Essex
Farmington
Granby

Glastonbury

Goshen Harwinton Killingworth Litchfield

Marlborough Norfolk

North Canaan Old Saybrook

Portland Rocky Hill Roxbury RRDD#1 (a) Torrington

Watertown Wethersfield

(a) Includes Barkhamsted, Winsted, New Hartford

Tier 1 Short (MSW & Recycling)

Beacon Falls Haddam Hartford Middlebury Oxford Woodbury Salisbury Sharon

Tier 1 Short (MSW only)

Durham Middlefield Naugatuck Simsbury Lyme Old Lyme

T2 (MSW Only)

Manchester

T3 (MSW & Recycling)

Chester Thomaston

T4 (MSW & Recycling)

East Hartford

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

				THE CHIEF T I COLL !	100		
	City	State Zip	Zip			Property Use	
6 Howard Avenue	Bridgeport	CT	06604	MIRA owns land only	_	Land is leased to Wheelabrator	
171 Murphy Road	Hartford	CT	06114		7	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- WPF Facility	Waste-	WPF Facility	
I Reserve Road	Hartford	CT	06114	1 to-Energy Facility		PBF Facility	
Reserve Road	Hartford	CT	06114			Jets Facility	
	Torrington	CT	06290			Torrington Transfer Station	
Echo Lake Road	Watertown	CT	96290			Watertown Transfer Station	
140/217 Sadds Mill Road	Ellington	CT	06029	Closed 1993/ January 2013		Ellington Landfill and Transfer Station	See note (A)below
866 River Road (Route 110)	Shelton	CT	06484	Closed 1998	0.1	Shelton Landfill	See note(B) below
109 Nichols Drive	Waterbury	ŭ	80290	Closed November, 2009		Waterbury Landfill	See note(C) below
	Wallingford CT		06492		7	Adjacent to the Wallingford Landfill	See note(D) below
				MIRA Leased Property	perty		
Street Address	City	State Zip	Zip		=	Property Use	
Town Dump Road	Essex	CT	CT 06442	Owned by the Town of Essex		Essex Transfer Station	
200 Corporate Place- Suite 202	RockyHill	CT	CT 06067		_	Office Space	
			IIRA]	MIRA Property with access agreements	s agre	ements	
Street Address	City	State Zip	Zip			Property Use	
189 Leibert Road	Hartford	CT	CT 06120	Stopped Operating 12/2008		Hartford Landfill	See note(E) below

(A) Ellington Landfill Site consists of the following:

- . Landfill proper (27 acres)
- MIRA owns adjacent parcel upon which Transfer Station is located (14 acres) Ellington Transfer Station
 - . MIRA owns former Thompson Family Land Trust property: 58 acres (plume control)
 - MIRA owns former Art Barber property: 20 acres (plume control)
 - . 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:
- Landfill proper (SMUs = 49 acres; entire property = 110 acres)
- a. Includes 1.2 acres leased to City of Shelton for Muni Transfer Station Operation
 - MIRA owns Former Crump Parcel: 6.3 Acres (Plume control)

(C) Waterbury Landfill Site includes the following:

- 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)

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.

Owned by City of Hartford