

MIRA
REGULAR BOARD MEETING
Nov. 19, 2015

Materials Innovation and Recycling Authority

100 Constitution Plaza

Hartford, Connecticut 06103

Telephone (860)757-7700 - Fax (860)757-7743

MEMORANDUM

TO: MIRA Board of Directors

FROM: Moira Kenney, Assistant HR Manager/Board Administrator

DATE: Nov. 13, 2015

RE: Notice of Regular Board Meeting

There will be a Regular Meeting of the Connecticut Resources Recovery Authority Board of Directors on Thurs. Nov. 19, 2015, at 9:30 a.m. The meeting will be available to the public in the Board Room at 211 Murphy Road, Hartford, CT 06114.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Materials Innovation Recycling Authority
Regular Board of Directors Meeting

Agenda
Nov. 19, 2015
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Minutes

1. Board Action will be sought for Approval of the Regular Oct. 22, 2015, Board Meeting Minutes (Attachment 1).

IV. Finance Committee Reports

1. Board Action will be sought for the Resolution Adopting the FY 2017 Property Division Operating and Capital Budget (Attachment 2).
2. Board Action will be sought for Resolution Adopting the FY 2017 Landfill Division Operating Budget (Attachment 3).
3. Board Action will be sought for Resolution Authorizing the President to Execute Release of Liability and Required Concurrences Effectuating the Transfer of Southeast Project Flow of Funds Responsibilities to the Southeastern Connecticut Regional Resource Recovery Authority (SCRRA) (Attachment 4).
4. Board Action will be sought for Resolution Authorizing the President to agree to a Settlement (Attachment 5).
5. Board Action will be sought for Resolution Regarding Final Transfer of Bridgeport Project Funds (Attachment 6).

V. Policy and Procurement Committee Reports

1. Board Action will be sought for Resolution Regarding the Collins Building Roof Replacement (Attachment 7).

VI. Organizational Synergy & Human Resources Report

VII. Chairman and President's Reports

VIII. Executive Session

An Executive Session will be held to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations.

TAB 1

MATERIALS INNOVATION AND RECYCLING AUTHORITY

FOUR HUNDRED AND FIFTY-NINTH

OCT. 22, 2015

A regular meeting of the Materials Innovation and Recycling Authority Board of Directors was held on Thurs. Oct. 22, 2015, in the Board Room at 211 Murphy Rd. Hartford, CT 06103. Those present were:

Directors: Chairman Don Stein
Vice-Chairman Dick Barlow
John Adams
Marilynn Cruz-Aponte (present until 10:25 a.m.)
Ralph Eno
Jim Hayden
Andy Nunn (present by telephone until 11:15 a.m.)
Scott Shanley

Present from MIRA in Hartford:

Tom Kirk, President
Mark Daley, Chief Financial Officer
Jeffrey Duvall, Director of Budgets and Forecasting
Peter Egan, Director of Operations and Environmental Affairs
Laurie Hunt, Director of Legal Services
Moira Kenney, Assistant HR Manager/Board Administrator

Others Present: Alan Curto, Esq., John Pizzimenti, USA Hauling; Lee Sawyer, CT DEEP; Mike VanDeventer, MahoneySabol.

Chairman Stein called the meeting to order at 9:40 a.m. and said a quorum was present.

PUBLIC PORTION

Chairman Stein said the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

As there were no members of the public present who wished to address the Board the Chairman proceeded with the regularly scheduled agenda.

APPROVAL OF THE SEPT. 17, 2015, MEETING MINUTES

Chairman Stein requested a motion to approve the minutes of the Sept. 17, 2015, Board Meeting. Director Adams made the motion which was seconded by Director Cruz-Aponte.

Chairman Stein noted that the start time of the meeting in the minutes should be changed to 8:30 a.m. and that Director Painter should be added to the list of Directors present at the meeting.

The motion to approve the minutes as amended was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilynn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project			X

RESOLUTION REGARDING TIER 2 MUNICIPAL SOLID WASTE MANAGEMENT SERVICES AGREEMENT FOR THE PROVISIONS OF ACCEPTABLE SOLID WASTE AND ACCEPTABLE RECYCLABLES SERVICES

Chairman Stein requested a motion on the above referenced item. The motion to approve a handout for this resolution which is slightly revised from the resolution in the package was made by Director Adams and seconded by Director Shanley.

RESOLVED: The President is hereby authorized to enter into a Tier 4 Three-Year Term Municipal Solid Waste Management Services Agreement ("MSA") for the provision of acceptable solid waste and acceptable recyclables services with the Town of East Hartford, substantially as presented and discussed at this meeting.

Mr. Egan said East Hartford has a contract with Covanta to remove their municipal solid waste to Willimantic Waste, most of which is then in turn brought to the Preston Facility. He said East Hartford's contract is expiring at the end of October and the city went out to bid for public waste solicitations this summer and MIRA responded. Mr. Egan said East Hartford selected MIRA as a preferred vendor and this resolution authorizes Mr. Kirk to execute a municipal services agreement with East Hartford for a term of three years.

Mr. Egan said MIRA bid a price of \$65.00 because East Hartford has added an additional year beyond the Tier 2 price of \$66.00 a ton for a two year agreement. He said the agreement does not have an opt-out provision and MIRA does accept recyclables under this agreement. Mr. Egan said this is similar to the original Tier 4 agreement.

Mr. Egan said the original write-up referred to this agreement as a Tier 2 agreement. He said management discovered that calling this agreement a Tier 2 would cause a conflict with the other municipal service agreements as there is language that says the Tier 2 municipality will pay \$2.00 above the based disposal price however East Hartford will pay only \$1.00 above the base disposal price. Mr. Egan said the simplest way to correct this was to refer to the contract as a Tier 4 contract and not a Tier 2 contract.

Ms. Cruz-Aponte asked how many tons of MSW and recyclables are associated with this town. Mr. Egan replied approximately 14,000 tons of MSW and he believes several thousand tons of recyclables.

Ms. Hunt said there was a Tier 4 contract which had not been used which was altered slightly for East Hartford. Mr. Kirk said although there is no flow control contained in the agreement East Hartford does have an ordinance for flow control and its proximity to the plant is such that most of the waste comes in appropriately.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilynn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

REVIEW REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES

Chairman Stein requested a motion on the above referenced item. The motion to approve was made by Director Adams and seconded by Director Shanley.

WHEREAS, MIRA obtained Board authorization to pay FY '16 projected legal fees and expenses from appropriate budgets and reserves in June/July, 2015; and

WHEREAS, MIRA expects to incur greater than authorized legal costs for these services; and

WHEREAS, MIRA now seeks Board authorization to expend funds from one of its Board-designated reserves to pay these additional legal costs;

NOW THEREFORE, it is

RESOLVED: That the following additional amounts be authorized for projected legal fees and costs to be incurred during fiscal year 2016:

<u>Firm:</u>	<u>Amount:</u>
Kainen, Escalera & McHale	\$350,000
Halloran & Sage	\$350,000

FURTHER RESOLVED: That \$700,000 be transferred from the Mid-Connecticut Project Operating Reserve to the Mid-Connecticut Project Litigation Reserve; and

FURTHER RESOLVED: That the President be authorized to expend up to \$700,000 for such additional legal fees and costs from the Mid-Connecticut Project Litigation Reserve.

Mr. Kirk said this resolution addresses a \$700,000 authorization for two of MIRA's law firms, Kainen, Escalera & McHale and Halloran & Sage and is associated with the MDC litigation. He said there is a possibility of continued arbitration and these funds are just in case that happens.

Director Shanley asked why these funds are being appropriated so far in advance. Ms. Hunt said management knows MIRA will be engaged in some type of process, although what the process is at this point is unknown.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilynn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

**REVIEW AND RECOMMEND FOR BOARD APPROVAL – RESOLUTION
CONCERNING TRANSFER OF SOUTHEAST PROJECT FLOW OF FUNDS
RESPONSIBILITIES TO THE SOUTHEASTERN CONNECTICUT REGIONAL
RESOURCE RECOVERY AUTHORITY**

Chairman Stein requested a motion on the above referenced item. The motion to approve was made by Director Shanley and seconded by Director Eno.

WHEREAS, MIRA's 2010 Series A Resource Recovery Revenue Refunding Bonds associated with the Southeast Project (the "Project Bonds") are scheduled to fully mature on November 15, 2015; and

WHEREAS, The Indenture of Mortgage and Trust dated December 1, 1988 between MIRA and US Bank as Trustee related to the Project Bonds (the "Indenture") will expire upon final payment of the Project Bonds; and

WHEREAS, The Indenture, among other things, establishes procedures for the flow of funds related to the Southeast Project which have heretofore required MIRA to collect all receipts related to the Southeast Project, transfer same to the Trustee, and together with Covanta, to provide joint instructions to the Trustee concerning the monthly distribution of such receipts; and

WHEREAS, the Service Agreement, Bridge and Management Agreement and other related Southeast Project contracts have been extended or will otherwise continue in full force and effect after expiration of the Indenture; and

WHEREAS, the current status of the Indenture and such Southeast Project contracts warrant consideration of flow of funds responsibilities after the Indenture expires; and

WHEREAS, the Southeastern Connecticut Regional Resource Recovery Authority (SCRRA) has requested that MIRA transfer such flow of funds responsibilities to it; and

WHEREAS, MIRA is agreeable to such transfer and has provided a sequence of events, required concurrences and a release of liability that will allow it to proceed with SCRRA's request which is documented in a September 30, 2015 letter to SCRRA attached hereto as Exhibit A; and

NOW THEREFORE, be it

RESOLVED: The Board of Directors hereby approves the transfer of flow of funds responsibility for the Southeast Project to SCRRA subject to the sequence of events, release of liability and required concurrences outlined in the letter attached hereto as Exhibit A.

Director Shanley said this resolution details the transfer of the responsibilities involved in managing these funds to SCRRRA. He said the Finance Committee felt this was an appropriate response to SCRRRA's request. Mr. Kirk said this resolution focuses on flow of funds, and the immediate desire of SCRRRA to collect funds from its member towns moving forward. He said there are a number of other agreements and issues which still need to be addressed. Mr. Kirk said MIRA has an agreement with Covanta to manage the plant although it will not be collecting the funds to pay Covanta.

Mr. Daley said the project bonds will fully mature in mid-November which triggers the expiration of the indenture underlying the project bonds. He said it is that indenture where MIRA's responsibility for the flow of funds lies. He said the impending expiration opened an opportunity for SCRRRA to request that MIRA transfer the responsibility to them. He said a sequence of events post the bonds maturing, as well as a release of liability have been drafted and SCRRRA is working on those documents.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilynn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

REVIEW REGARDING FINAL DISTRIBUTION OF FUNDS FOR THE WALLINGFORD PROJECT

Chairman Stein requested a motion on the above referenced item. The motion to approve was made by Director Shanley and seconded by Director Hayden.

WHEREAS, on April 23, 2009 the Materials Innovation and Recycling Authority (the "Authority") formerly the Connecticut Resources Recovery Authority ("CRRRA") Board of Directors (the "Board"), in consultation with and with unanimous consent of the Wallingford Project Policy Board (the "Policy Board"), authorized the closing and transfer of various funds in order to provide an initial distribution of surplus funds to the Wallingford Project member towns; and

WHEREAS, the Policy Board has previously requested that remaining Project funds be equitably distributed based on a five-year weighted average of tons delivered to the Wallingford Project by its member towns, consisting of the towns of Cheshire, Hamden, Meriden, North Haven, and Wallingford, Connecticut (the "Towns"); and

WHEREAS, the percentage of the relative amounts of acceptable solid waste delivered by each Town has been developed to reflect delivered and diverted tons for the five-year time period beginning July 1, 2005 and ending June 30, 2010; and

WHEREAS, the Wallingford Project officially ended on June 30, 2010 and the ownership of the Resource Recovery Facility ("RRF") located in Wallingford Connecticut was transferred to the Operator of the RRF (the "OPERATOR") as prescribed in the Wallingford Project Operating Agreement; and

WHEREAS, in order to effectively transfer ownership of the RRF and mitigate Wallingford Project legacy liabilities associated with RRF operations prior to its transfer to the Operator certain funds were deposited into the Wallingford Project Closure reserve; and

WHEREAS, all Authority transactions related to the Wallingford Project have been completed; and

WHEREAS, as of September 30, 2015, the Wallingford Project Closure Reserve has a remaining balance of \$39,445.14 which can be returned to the Towns; and

WHEREAS, the funds in the Wallingford Project Closure Reserve are the only Wallingford Project funds remaining with the Authority and once these funds have been distributed the Authority's Wallingford Project will be completed.

NOW THEREFORE, be it

RESOLVED: That the Wallingford Project Closure account be closed and its funds in the amount of \$39,445.14 together with applicable interest be distributed to the Wallingford Project Towns in the percentage values and dollar amounts as follows based upon the tonnage formula previously agreed to by the Policy Board:

Town	Total Tons Delivered FY 2006-2010:	Percentage of Tonnage:	Distribution Amount:
Cheshire	99,877.67	13.41%	\$ 5,291.12
Hamden	171,685.53	23.06%	\$ 9,095.22
Meriden	164,997.82	22.16%	\$ 8,740.93
North Haven	106,919.58	14.36%	\$ 5,664.17
Wallingford	201,104.24	27.01%	\$ 10,653.70
Total	744,584.85	100.00%	\$ 39,445.14

Mr. Daley said MIRA has roughly \$39,000 left in the Wallingford funds account. He explained this resolution will provide for a return of those funds. Mr. Daley said MIRA was only holding onto those funds pending a final transaction, which was allocation of Wallingford's portion of funds for payment of the Cohn Reznick audit.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilynn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project			

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's and feasibility estimates. The motion was made by Vice-Chairman Barlow and seconded by Director Shanley and was approved unanimously.

Chairman Stein asked the following people to join the Directors in the Executive Session:

Tom Kirk
Mark Daley
Peter Egan
Laurie Hunt

The motion was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Painter, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilyn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

The Executive Session began at 10:00 a.m. and concluded at 10:40 a.m. Chairman Stein noted that no votes were taken in Executive Session.

The meeting was reconvened at 10:40 a.m. The door was opened, and the Board Secretary and all members of the public were invited back in for the continuation of public session.

REVIEW REGARDING ADOPTION OF THE FISCAL YEAR 2017 AUTHORITY BUDGET

Chairman Stein requested a motion on the above referenced item. The motion to approve was made by Vice-Chairman Barlow and seconded by Director Hayden.

RESOLVED: The materials Innovation and Recycling Authority (MIRA) is contractually obligated to adopt Disposal Fees for its Connecticut Solid Waste System (CSWS) member towns on or before February 29, 2016; which fees will apply during MIRA's fiscal year 2017 which begins July 1, 2016 and ends June 30, 2017; and

WHEREAS, such Disposal Fees are to reflect the net cost of operation of the CSWS as defined in the Municipal Service Agreements between CSWS member towns and MIRA, which net cost of operation includes a properly allocable share of MIRA's general administrative expenses commonly known as the "Authority Budget"; and

WHEREAS, in order for MIRA to progress timely with the evaluation and establishment of Disposal Fees for the CSWS member towns it is necessary for MIRA to adopt the Authority Budget for fiscal year 2017 at this time including the budget for personnel and non-personnel services that comprise MIRA's general administrative expenses and the amounts thereof that are properly allocable to MIRA projects and divisions that will be active during fiscal year 2017 including:

1. Connecticut Solid Waste System (CSWS)
2. Mid Connecticut Project
3. Property Division

4. Landfill Division

NOW THEREFORE, be it

RESOLVED: That the fiscal year 2017 Materials Innovation and Recycling Authority Operating Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at the meeting.

Mr. Daley said this resolution to approve the FY'17 proposed Authority budget is structured to address the Feb. 29, 2016, deadline to put tip fees in place. Mr. Daley said the Landfill Division and Property Division will be addressed next month with the CSWS Project following.

Mr. Daley said the resolution addressed the Projects and Divisions which will be charged to fund the Authority budget for FY'17 which excludes the Southeast Project. He said the budget consists of the indirect portion of personnel services and non-personnel services' expenses.

Mr. Daley said the total personnel services for FY'17 are \$4.9 million, a 5.9% reduction from FY'16. He said the piece allocated to the Authority totals \$2.9 million a 9.7% reduction from FY'16. Mr. Daley said Public Act 14-94 called for MIRA to cease involvement with State wide education and as a result the budget no longer includes funding for that function, which drives some of the reductions in costs. Mr. Daley said concerning non-personnel services there is a 21% reduction and the total Authority budget comes in just below \$4.2 million which is roughly a 14% reduction from FY'16.

Vice-Chairman Barlow said he was pleased to see the recommendation to offer a Health Savings Plan. He said he feels that is an area with a real potential for future savings.

MOTION TO AMEND THE FISCAL YEAR 2017 AUTHORITY BUDGET TO INCLUDE A \$100,000 ALLOCATION TO THE OPERATIONAL CONTINGENCY ACCOUNT

Chairman Stein requested a motion on the above referenced item. The motion to amend was made by Director Shanley and seconded by Director Hayden.

Director Shanley said he would like to amend the resolution to include a \$100,000 allocation to the operational contingency account. He said there are outstanding issues and questions that are not clear.

The motion was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Painter, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilyn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

MOTION TO APPROVE ADOPTION OF THE FISCAL YEAR 2017 AUTHORITY BUDGET AS AMENDED

Chairman Stein requested a motion on the above referenced item. The motion to approve the motion as amended was originally made by Director Shanley and seconded by Director Hayden.

RESOLVED: The materials Innovation and Recycling Authority (MIRA) is contractually obligated to adopt Disposal Fees for its Connecticut Solid Waste System (CSWS) member towns on or before February 29, 2016; which fees will apply during MIRA's fiscal year 2017 which begins July 1, 2016 and ends June 30, 2017; and

WHEREAS, such Disposal Fees are to reflect the net cost of operation of the CSWS as defined in the Municipal Service Agreements between CSWS member towns and MIRA, which net cost of operation includes a properly allocable share of MIRA's general administrative expenses commonly known as the "Authority Budget"; and

WHEREAS, in order for MIRA to progress timely with the evaluation and establishment of Disposal Fees for the CSWS member towns it is necessary for MIRA to adopt the Authority Budget for fiscal year 2017 at this time including the budget for personnel and non-personnel services that comprise MIRA's general administrative expenses and the amounts thereof that are properly allocable to MIRA projects and divisions that will be active during fiscal year 2017 including:

5. Connecticut Solid Waste System (CSWS)
6. Mid Connecticut Project
7. Property Division
8. Landfill Division

NOW THEREFORE, be it

RESOLVED: That the fiscal year 2017 Materials Innovation and Recycling Authority Operating Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at the meeting.

FURTHER RESOLVED: To make a \$100,000 allocation to the operational contingency account.

Mr. Daley said the budget is \$107,000 less than the long term plan for the Authority budget. He said the addition of the \$100,000 keeps MIRA below the long term target originally set by the updated strategic plan in September.

Vice-Chairman Barlow asked for an explanation as to why there is a 94% cut in temporary agency services. Mr. Daley said MIRA had previously relied heavily on temporary service in accounting and finance and changes were made the year prior to make several of the previously temporary positions permanent.

The motion was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Painter, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilyn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andrew Nunn	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

CHAIRMAN'S REPORT

Chairman Stein said he continues to reach out to the Governor's office to request that the vacancies on the Board be filled. He noted he has asked that Director Painter be appointed as a full Director. Chairman Stein said he received a positive reaction to his request. He urged the Board to reach out directly to those officials charged with appointing Directors.

PRESIDENT'S REPORT

Mr. Kirk said all MIRA facilities operated within their environmental and public safety and health impact restrictions. He referred the Board to the supplemental package for further details. Mr. Kirk said MIRA is in the process of an annual outage for unit 13 which has proved difficult due to the replacement for the tubular air heater. He said management is confident the

replacement will improve throughput capabilities as unit 13 has been degraded substantially in terms of steam flow.

Mr. Kirk said there was an unusual failure in unit 12 this week. He said the induced gas fan's large shaft split in the middle. Mr. Kirk said this was a very unusual and costly failure. He said there is an eight week wait for the stock necessary to machine a new shaft, and that the broken shaft is being repaired back in the unit.

Mr. Kirk said that MIRA will be moving to its new Rocky Hill location at the end of December. He noted that the Board and Committee will continue to meet in the Board Room at Murphy Rd. Mr. Kirk said management was disappointed in the lack of value attributed to MIRA's furniture. He said that it will actually cost money to dispose of the furniture and management is considering other options for the surplus furniture including making it available to municipal offices as long as they are able to pick up the furniture.

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's and feasibility estimates. The motion was made by Vice-Chairman Barlow and seconded by Director Shanley and was approved unanimously.

Chairman Stein asked the following people to join the Directors in the Executive Session:

Tom Kirk
Mark Daley
Peter Egan
Laurie Hunt

The motion was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Eno, Director Hayden, Director Painter, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Jim Hayden	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

The Executive Session began at 11:17 a.m. and concluded at 11:35 a.m. Chairman Stein noted that no votes were taken in Executive Session.

The meeting was reconvened at 11:35 a.m. The door was opened, and the Board Secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

ADJOURNMENT

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Shanley seconded by Director Eno and was approved unanimously

The motion was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Eno, Director Hayden, Director Painter, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Jim Hayden	X		
Scott Shanley	X		
Ad-Hoc			
Bob Painter, CSWS Project	X		

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Vice-Chairman Barlow seconded by Director Adams and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 11:36 p.m.

Respectfully Submitted,



Moira Kenney
Assistant HR Manager/Board Administrator

TAB 2

RESOLUTION FOR THE MATERIALS INNOVATION AND RECYCLING AUTHORITY BOARD OF DIRECTORS

REGARDING ADOPTION OF THE FISCAL YEAR 2017 PROPERTY DIVISION OPERATING AND CAPITAL

BUDGETS

WHEREAS, The Authority has previously established a tip fee stabilization fund within its Property Division intended to be drawn upon by the Connecticut Solid Waste System (CSWS) during periods of relatively low wholesale energy prices and refunded to the Property Division during periods of relatively high energy prices as a means to mitigate inflationary pressures on CSWS solid waste disposal fees; and

WHEREAS, Effective with the disbursement of receipts for the period ending September 30, 2015 and continuing through and including the disbursement of receipts for the period ending June 30, 2016, the Authority authorized all Property Division receipts remaining within the Property Division Clearing Account after disbursement to the Property Division Operating STIF to be transferred directly to the CSWS Tip Fee Stabilization Fund in lieu of the Property Division general fund, and further increased the maximum tip fee stabilization fund value by the amount of such transfers, in recognition of CSWS budgetary pressures associated with declining energy output and low wholesale energy prices; and

WHEREAS, The Authority anticipates that declining energy output and low wholesale energy prices will continue to put added pressure of CSWS tip fees in its fiscal year 2017 operating and capital budget.

NOW THEREFORE, be it

RESOLVED: That the Fiscal Year 2017 Materials Innovation and Recycling Authority Operating and Capital Budgets for the Property Division attached hereto as Exhibit A be adopted substantially in the form as presented in Exhibit B attached hereto and discussed at this meeting; and

RESOLVED: That effective with the disbursement of receipts for the period ending July 31, 2016 and continuing through and including the disbursement of receipts for the period ending June 30, 2017, the Board of Directors authorizes Property Division receipts remaining within the Property Division Clearing Account after disbursement to the Property Division Operating STIF and Improvement Fund to be transferred directly to the CSWS Tip Fee Stabilization Fund in lieu of the Property Division General Fund, and the maximum Tip Fee Stabilization Fund value is hereby increased by the amount of such transfers. Management is directed to report monthly to the Board on the status of such transfers to the Tip Fee Stabilization Fund which shall not exceed three million dollars during this period without further Board authorization.

Exhibit A - Page 1
Materials Innovation and Recycling Authority
FY 2017 Proposed Draft Operating Budget

Property Division

REVENUES	FY 2015		Variance Better (Worse)	FY 2016 Adopted	FY 2017 Proposed	Better (Worse) Than FY 2015	
	Budget	Actual				\$	%
Jets Electric:							
Capacity Payments	\$ 5,130,206	\$ 4,994,634	\$ (135,572)	\$ 5,541,026	\$ 5,754,336	\$ 213,310	3.8%
Blackstart	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
VARs Payments	\$ 75,794	\$ 40,698	\$ (35,096)	\$ 42,400	\$ 48,164	\$ 5,764	13.6%
Reserve Credits	\$ 600,000	\$ 1,044,724	\$ 444,724	\$ 600,000	\$ 600,000	\$ -	0.0%
Real Time Energy	\$ 150,000	\$ 986,627	\$ 836,627	\$ 150,000	\$ 239,000	\$ 89,000	59.3%
Total Jets Electric	\$ 5,956,000	\$ 7,066,683	\$ 1,110,683	\$ 6,333,426	\$ 6,641,500	\$ 308,074	4.9%
Lease Income:							
CSWS Murphy Road	\$ 139,000	\$ 139,002	\$ 2	\$ 127,300	\$ 127,300	\$ -	0.0%
Golf Center	\$ 16,500	\$ 18,150	\$ 1,650	\$ 18,150	\$ 18,150	\$ -	0.0%
Wheelabrator Lease	\$ 382,500	\$ 435,420	\$ 52,920	\$ 431,500	\$ 431,348	\$ (152)	0.0%
Jets Billboard	\$ 42,000	\$ 42,350	\$ 350	\$ 42,350	\$ 45,350	\$ 3,000	7.1%
Total Lease Income	\$ 580,000	\$ 634,922	\$ 54,922	\$ 619,300	\$ 622,148	\$ 2,848	0.5%
South Central Facility Capacity	\$ 194,000	\$ 9,566	\$ (184,434)	\$ 65,000	\$ 61,000	\$ (4,000)	-6.2%
Education & Trash Museum (1)	\$ 62,000	\$ 62,794	\$ 794	\$ -	\$ -	\$ -	n/a
Interest Income	\$ 3,000	\$ 12,352	\$ 9,352	\$ 10,000	\$ 10,000	\$ -	0.0%
TOTAL ACCRUED REVENUES	\$ 6,795,000	\$ 7,786,317	\$ 991,317	\$ 7,027,726	\$ 7,334,648	\$ 306,922	4.4%
EXPENDITURES							
MIRA Direct Non-Personnel Services	\$ 401,000	\$ 154,077	\$ 246,923	\$ 266,000	\$ 245,724	\$ 20,276	7.6%
MIRA Allocated Costs	\$ 702,000	\$ 670,044	\$ 31,956	\$ 814,192	\$ 781,156	\$ 33,036	4.1%
Railroad Maintenance	\$ 11,000	\$ 9,891	\$ 1,109	\$ 10,500	\$ 10,000	\$ 500	4.8%
211 Murphy Road Ops. Center	\$ 214,000	\$ 157,431	\$ 56,569	\$ 196,000	\$ 196,000	\$ -	0.0%
1410 Honey Spot Road	\$ 91,000	\$ 59,593	\$ 31,407	\$ 90,000	\$ 87,000	\$ 3,000	3.3%
171 Murphy Road	\$ 41,000	\$ 32,240	\$ 8,760	\$ 41,000	\$ 34,950	\$ 6,050	14.8%
Education & Trash Museum	\$ 244,000	\$ 163,608	\$ 80,392	\$ 5,000	\$ -	\$ 5,000	100.0%
South Central Facility Operating Charges	\$ 109,000	\$ 8,696	\$ 100,304	\$ 65,000	\$ 61,000	\$ 4,000	6.2%
Jets Operating Charges	\$ 2,703,000	\$ 2,314,418	\$ 388,582	\$ 1,991,775	\$ 2,196,200	\$ (204,425)	-10.3%
TOTAL ACCRUED EXPENDITURES	\$ 4,516,000	\$ 3,569,998	\$ 946,002	\$ 3,479,467	\$ 3,612,030	\$ (132,563)	-3.8%
OPERATING INCOME							
(Before Reserves / Transfers)	\$ 2,279,000	\$ 4,216,319	\$ 1,937,319	\$ 3,548,259	\$ 3,722,618	\$ 174,359	4.9%
DISTRIBUTION OF PD OPERATING INCOME							
Facilities Capital Refurbishment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Solid Waste Future Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
MIRA Severance	\$ 85,000	\$ 84,996	\$ (4)	\$ -	\$ -	\$ -	n/a
Transfer to CSWS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
PD Improvement Fund	\$ -	\$ -	\$ -	\$ 787,000	\$ 950,000	\$ 163,000	20.7%
Tip Fee Stabilization Fund	\$ 2,194,000	\$ -	\$ (2,194,000)	\$ 720,000	\$ 2,772,618	\$ 2,052,618	285.1%
General Fund	\$ -	\$ -	\$ -	\$ 2,041,259	\$ -	\$ (2,041,259)	-100.0%
TOTAL DISTRIBUTIONS	\$ 2,279,000	\$ 84,996	\$ (2,194,004)	\$ 3,548,259	\$ 3,722,618	\$ 174,359	4.9%
SURPLUS / (DEFICIT) *	\$ -	\$ 4,131,323	\$ 4,131,323	\$ -	\$ -	\$ -	n/a

* FY 2015 actual distributed on a cash basis pursuant to flow of funds procedure

MATERIALS INNOVATION AND RECYCLING AUTHORITY



Exhibit B
Property Division
FY 2017 Proposed
Operating and
Capital Budgets

November 12, 2015
MIRA Finance
Committee

SUMMARY DRAFT BUDGET

■ Total Operating Revenues -	\$7,334,648
■ Total Operating Expenses -	\$3,612,030
■ Operating Income (Before Reserves / Transfers) -	\$3,722,618
■ Property Division FY 2017 Flow of Funds:	
■ MIRA Severance Reserve -	\$ 0
■ PD General Fund -	\$ 0
■ PD Improvement Fund -	\$ 950,000
■ CSWS Improvement Fund -	\$ 0
■ Tip Fee Stabilization Fund -	\$ 2,772,618
■ Total Reserves / Transfers -	\$ 3,722,618
■ 10 year Financial Plan Update	
■ Net Cash Flow to Tip Fee Stabilization -	\$2,775,643

HIGHLIGHTS

■ Operating Revenues increase by 4.4% from FY 2016 to FY 2017 budget:

- Jets electric revenue increases by 4.9%.
- Increase in jets is from capacity payments and real time "NCPC" payments.
- Other revenue to Property Division is generally flat from FY 2016 budget.

■ Operating Expenses increase by 3.8% from FY 2016 to FY 2017 budget:

- Jets operating charges increase by 10.3% including:
 - DERC acquisition program and "RGGI" credits
 - Increase in NAES contract operating charges
 - Increase in NAES Home Office Support
- Increase in jets operating charges offset by:
 - Reductions in MIRA allocated costs
 - Reductions in MIRA direct non-personnel services
 - Reductions in building operating expenses

■ Operating Income (Before Reserves / Transfers) increases by \$4.9%

- Income transferred to Property Division Improvement Fund is dedicated to preserving jets capacity
- All other income is transferred to CSWS Tip Fee Stabilization Fund in accordance with updated 10 Year Plan
- Budgeted transfer to Tip Fee Stabilization is consistent with Updated 10 Year Plan estimate (\$3,025 less)

TOTAL OPERATING REVENUE

■ Electric Generation from Jets-		\$6,641,500
■ Forward Capacity Market -	\$5,754,336	
■ Reserve Time -	\$ 600,000	
■ Real Time -	\$ 154,000	
■ Real Time NCP -	\$ 85,000	
■ VAR Payments -	\$ 48,164	
■ Total -	<u>\$6,641,500</u>	
■ Education and Trash Museum-		\$ 0
■ Admission Fees -	\$ 0	
■ Gift Shop Sales -	\$ 0	
■ Other -	\$ 0	
■ Total -	<u>\$ 0</u>	
■ Other Property -		\$ 683,148
■ Lease Income-	\$ 494,848	
■ South Central Facility Capacity -	\$ 61,000	
■ CSWS Building Reimbursement -	\$ 127,300	
■ Total -	<u>\$ 683,148</u>	
■ Interest Income -		\$ 10,000
■ Total Operating Revenue -		<u>\$7,334,648</u>

TOTAL OPERATING EXPENSE

■ MIRA Allocated Costs-	\$781,156
■ Authority Budget - Personnel Services -	\$412,839
■ Authority Budget - Non Personnel Services -	\$193,192
■ Direct Personnel Services -	<u>\$175,125</u>
■ Total Allocated Costs -	\$781,156
■ MIRA Direct Non Personnel Services -	\$245,724
■ Other Property O&M -	\$388,950
■ 211 Murphy Road -	\$196,000
■ 171 Murphy Road -	\$ 34,950
■ Railroad Maintenance -	\$ 10,000
■ 1410 Honey Spot Road -	\$ 87,000
■ South Central Facility Capacity -	<u>\$ 61,000</u>
■ Total -	\$388,950

TOTAL OPERATING EXPENSE

■ JETS O&M - \$2,196,200

Operating Expense	NAES Contract	MIRA Related	Total
Fuel for Twin Packs	\$ 0	\$ 907,200	\$ 907,200
Management Fee & Incentive	\$ 108,200	\$ 0	\$ 108,200
Home Office Support	\$ 80,000	\$ 0	\$ 80,000
Direct Labor & Overhead	\$ 140,520	\$ 0	\$ 140,520
Employee Incentive Bonus	\$ 10,500	\$ 0	\$ 10,500
Operations and Maintenance	\$ 592,580	\$ 357,200	\$ 949,780
Total	\$ 931,800	\$ 1,264,400	\$2,196,200

■ Education and Trash Museum -

 * Educator Labor & Benefits \$ 0

 * Operating Expense \$ 0

\$ 0

■ Total Operating Expense \$3,612,030

CAPITAL IMPROVEMENTS / MAJOR MAINTENANCE

- All proposed projects are dedicated to preserving the capacity of MIRA's jet - powered electric generating peaking units ("the Jets").
- No projects are proposed / schedules for other assets assigned to MIRA's Property Division.
 - Repair Spare Jet Engine in Cradle - \$800,000
 - Repair Nozzle Guide Vanes / Combustion Cans - \$100,000
 - Miscellaneous (Nozzle / Combustion Parts) - \$ 50,000
 - Total - \$950,000
- The transfer to Property Division Improvement Fund will be net of any carry forward from Fiscal Year 2016 approved project spending.

NET INCOME / FUND CONTRIBUTIONS

■ **FY 2017 Net Operating Income -** **\$3,722,618**

■ **MIRA Severance Reserve -** **\$ 0**

There is approximately \$793,000 in this reserve as of the 9/30/2015 flow of funds.
This is viewed as sufficient in comparison to total FY 2017 Personnel Services.

■ **Property Division General Fund -** **\$ 0**

There is approximately \$1,426,000 in this reserve as of the 9/30/2015 flow of funds.
This fund is used to supplement any other fund within the Property Division as circumstances warrant.
Other funds included in the Property Division primarily include the operating account, CSWS Improvement Fund and CSWS Tip Fee Stabilization Fund.

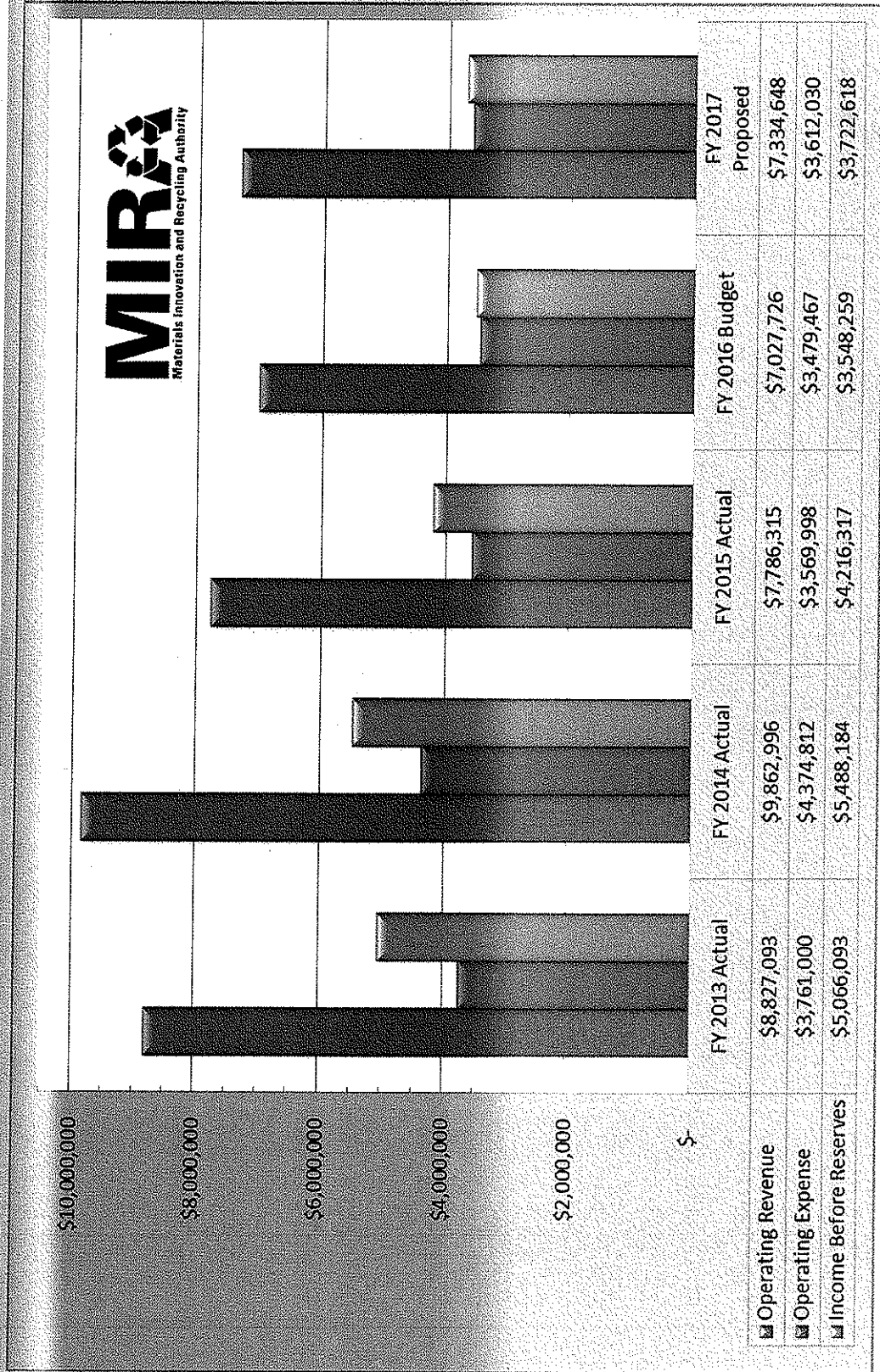
■ **Property Division Improvement Fund -** **\$ 950,000**

This fund is used to undertake improvements to assets assigned to the Property Division. For FY 2016 This included reconstruction of the Collins Building roof, additional work on the jets and potential HVAC and lighting upgrades for 211 Murphy Road. There is approximately \$822,000 in this reserve as of the 9/30/2015 flow of funds. Work to be funded in FY 2017 is limited to preserving jets capacity.

■ **CSWS Tip Fee Stabilization -** **\$2,772,618**

There is approximately \$1,644,000 in this reserve as of the 9/30/2015 flow of funds.

PROPERTY DIVISION INCOME COMPARISONS



STATUS OF JETS SUSTAINABILITY

- Retrofit On Hold
- Trading Order Expires May 31, 2017
- Capacity Supply Obligations Incurred:
 - Forward Capacity Auction (FCA) #8 for 6/1/2017 – 5/31/2018 Capacity Supply Obligation (CSO). Capacity payments increase from effective payment rate of \$2.883 to \$7.025.
 - FCA #9 for 6/1/2018 – 5/31/2019 CSO. Capacity payments increase to effective payment rate of \$9.550.
- Capacity Supply Obligations Pending:
 - 6/1/2015 – ISO delist deadline for FCA #10 (MIRA opted not to delist).
 - 2/8/2016 – ISO to conduct FCA #10 for 6/1/2019 – 5/31/2020 CSO.
- DEEP Developing Phased Compliance Program:
 - 1/1/2017 anticipated effective date;
 - Occurs after delist deadlines for FCA #s 10 and 11 covering CSOs through 5/31/2021.
- DERC Acquisition Being Pursued

TAB 3

RESOLUTION FOR THE MATERIALS INNOVATION AND RECYCLING AUTHORITY BOARD OF DIRECTORS

REGARDING ADOPTION OF THE FISCAL YEAR 2017 LANDFILL DIVISION OPERATING BUDGET

RESOLVED: That the Fiscal Year 2017 Materials Innovation and Recycling Authority Operating Budget for the Landfill Division attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting.

MATERIALS INNOVATION AND RECYCLING AUTHORITY

**FISCAL YEAR 2017
LANDFILL DIVISION
PROPOSED OPERATING BUDGET**

November 19, 2015

MIRA - LANDFILL DIVISION

ACCOUNT	DESCRIPTION	ADOPTED FY16	PROPOSED FY17
REVENUES			
51-001-000-43106	ZREC Payments from Eversource (CL&P)	\$ 170,830	\$ 169,122
51-001-000-43101	Electricity Sales to City	\$ 69,885	\$ 69,186
51-001-000-xxxxx	Use of Reserves (B)	\$ -	\$ 12,322
51-001-000-46101	Interest	\$ 11,500	\$ 4,200
Total Revenues		\$ 252,215	\$ 254,830
EXPENDITURES			
LANDFILL DIVISION OPERATING			
51-001-501-52104	Telecommunications	\$ 1,200	\$ 1,200
51-001-501-52640	Insurance Premium (A)	\$ 107,789	\$ 15,000
51-001-501-52875	Insurance Consulting & Brokerage	\$ 5,653	\$ 6,009
51-001-501-52701	Contract Operating Charges	\$ 8,000	\$ 9,500
51-001-501-54491	Reserve for Replacement	\$ 24,000	\$ 24,000
51-001-501-52611	ZREC Income Share with City of Hartford	\$ 64,298	\$ 58,939
51-001-501-57871	Authority Budget Allocation BOD	\$ 41,052	\$ 140,182
Total Expenditures		\$ 251,992	\$ 254,830
NET INCOME/(LOSS)		\$ 223	\$ -

(A) PPL insurance valued at \$87,224 for FY17 was purchased as a three year prepaid policy and funded in FY15.

(B) The Landfill Division operating account funds operating losses and incorporates operating income.

TAB 4

RESOLUTION FOR THE MATERIALS INNOVATION AND RECYCLING AUTHORITY BOARD OF DIRECTORS

Concerning the Transfer of Southeast Project Flow of Funds Responsibilities to the Southeastern Connecticut Regional Resource Recovery Authority (SCRRRA)

WHEREAS, by resolution adopted at its October 22, 2015 meeting, the Materials Innovation and Recycling Authority (MIRA) Board of Directors approved the transfer of flow of funds responsibility for the Southeast Project to the Southeastern Connecticut Regional Resource Recovery Authority (SCRRRA) subject to the sequence of events, release of liability and required concurrences outlined in a September 30, 2015 letter attached hereto as Exhibit A; and

WHEREAS, MIRA staff have proceeded to jointly develop release of liability documents with SCRRRA and Covanta Southeastern Connecticut Company which are attached hereto as Exhibits B and C, respectively; and

WHEREAS, the parties now desire to move forward with the transfer of flow of funds responsibilities; and

WHEREAS, except as specifically modified by the release of liability documents attached hereto as Exhibits B and C, MIRA's rights, duties and obligations under Service Agreement, Bridge and Management Agreement and other related Southeast Project contracts shall otherwise continue in full force and effect after the transfer of flow of funds responsibilities.

NOW THEREFORE, be it

RESOLVED: The Board of Directors hereby authorizes the President to enter into the release of liability documents attached hereto as Exhibits B and C and to transfer flow of funds responsibilities for the Southeast Project to SCRRRA pursuant to to the sequence of events outlined in Exhibit A.

Exhibit A

**September 30, 2015 Letter from the Materials Innovation and Recycling Authority ("MIRA") to the
Southeastern Connecticut Regional Resources Recovery Authority ("SCRRRA")**



Materials Innovation and Recycling Authority

100 CONSTITUTION PLAZA 6TH FLOOR • HARTFORD • CONNECTICUT • 06103-1722 • TELEPHONE (860) 757-7700
FAX (860) 727-4141

September 30, 2015

Mr. David Aldridge
Executive Director
Southeastern Connecticut Regional Resource Recovery Authority
7 Hurlbutt Road, Suite 1
Gales Ferry, CT 06335

Dear Mr. Aldridge:

This letter is a follow up to conversations in response to your letter of August 7, 2015 concerning changes to the flow of funds associated with the Southeast Project upon retirement of the project bonds and expiration of the related Trust Indenture. I understand that the requested exchange of data has occurred, as have several staff coordination meetings, and I have attached summary schedules reflecting this process for your information. Please let me know if you feel additional information or meetings would be helpful to SCRRA.

As we close in on the scheduled maturity of the bonds, I thought it would be helpful to take the additional step of specifying how individual aspects of transferring the flow of funds responsibility from MIRA to SCRRA will be handled. Before specifying individual aspects of the transfer, I would like to generally address how the current flow of funds is structured as that affects how we would move forward.

MIRA deposits all Southeast Project receipts to a dedicated lockbox and completes the transfer of monthly receipts to the Trustee shortly after the end of each month. The Trustee then distributes funds for the current month's budget to MIRA and Covanta by the 8th day of each month based on MIRA / Covanta joint instructions to the Trustee. Therefore, on the 6th of November receipts for October will be distributed to MIRA and Covanta by the Trustee representing budgeted funds for the month of November. Subsequent to its receipt of funds from the Trustee, MIRA transfers SCRRA its monthly administrative budget. Based on this flow of funds, MIRA may transfer these responsibilities to SCRRA as it has requested subject to certain concurrences and a release of liability as follows:

- **Billing and Accounts Receivable** – Presently Covanta issues invoices for the disposal of waste at the Southeast Project which are payable to MIRA. This occurs for the SCRRA towns, several non SCRRA towns and all other "spot" waste delivered to the plant. Each month Covanta transmits a record of all invoices to MIRA. MIRA records these invoices on its accounts receivable system, tracks them until paid and undertakes any necessary collections efforts. Based on this process and the existing flow of funds, the transfer of billing and accounts receivable responsibilities would occur between September and November as follows:

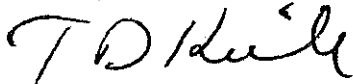
- September MSW – MIRA will record and track invoices for September MSW deliveries in early October when the required information is received from Covanta. MIRA will receive and deposit associated payments through October 30th including undertaking necessary collection activities. MIRA will complete the transfer of associated cash receipts to the Trustee on or about November 2nd. The Trustee will then distribute November budgets to MIRA and Covanta on November 6th reflecting the MIRA / Covanta joint instructions to the Trustee. MIRA will subsequently transfer to SCRRA its administrative budget for November.
- October MSW – MIRA will record and track invoices for October MSW deliveries in early November when the required information is received from Covanta. MIRA will receive and deposit associated payments through November 30 including undertaking necessary collection activities. MIRA will complete the transfer of associated cash receipts to SCRRA on or about December 2nd. SCRRA will fund Covanta its December budget. MIRA will continue to track and receive payment for October deliveries and deposit same into the Southeast Project lockbox until all October billings have been satisfied. Once this occurs, and payment for electricity produced in September has been received as noted below, the Southeast Project lockbox will be closed and all funds on deposit in the lockbox will be transferred to SCRRA.
- November MSW - SCRRA will record and track invoices for November MSW deliveries in early December when it receives the required information from Covanta. SCRRA will receive and deposit associated payments through December 31st including undertaking necessary collection activities. SCRRA will distribute the January budget to Covanta by January 8th. This process will continue each month.
- Electricity – Electricity revenues are received monthly two months in arrears. For example, payment for power produced by the Southeast Project in July was received by MIRA on September 2nd and included in the cash MIRA transferred to the Trustee on September 8th. MIRA will record on its books the electricity revenues and accounts receivable for power produced in August and September which will be received by MIRA and deposited to its Southeast Project Lockbox in October and November, respectively. Payment for power produced in October will be sent to SCRRA in December and this payment would not be recorded on MIRA's books. This process will continue each month.
- MIRA Administrative Budget
 - MIRA will have received its full FY 2016 administrative budget distribution from the Trustee with the Trustee's final distribution on November 6th. This includes the allocated personnel services, insurance and the direct legal services budget. It will not be necessary for SCRRA to distribute FY 2016 operating funds to MIRA once the flow of funds requirements has transferred.
- Outside Payments
 - Preston PILOT – Each month the Trustee distributes to MIRA 1/12th of the annual budget for PILOT payments to Preston. The PILOT payment is made semi-annually in January and July. The next payment will be made January 2016 for the period July 1,

2015 through December 31, 2015. As of November 6, 2015, MIRA will have received 5/12th of the annual PILOT budget reflecting the period July 1, 2015 through November 30, 2015. PILOT funds received by MIRA will be paid to Preston in January 2016. SCRRA will be obligated to pay such additional funds as may be necessary based on the total due for the period ending December 31, 2015 (approximately 1/6 of the total payment due). SCRRA will make all PILOT payments moving forward.

- Ash - Each month the Trustee distributes to MIRA 1/12th of the annual budget for ash disposal by Wheelabrator. The ash disposal payment is made monthly in arrears. As of November 6, 2015, MIRA will have received 5/12th of the annual ash disposal budget reflecting the period July 1, 2015 through November 30, 2015. Ash disposal funds received by MIRA will be paid to Wheelabrator for disposal activity through November 30, 2015. Any excess ash disposal funds will be transferred to SCRRA upon payment of the November ash invoice. Any shortfall in ash disposal cost versus MIRA's budget distributions for the period ending November 30, 2015 will be SCRRA's responsibility. SCRRA will make all ash disposal payments moving forward.
- Release of Liability / Required Concurrences
 - It will be necessary for SCRRA, Covanta and MIRA to execute a release of liability in advance of the transfer of flow of funds responsibility. This release will absolve MIRA from payment of any and all costs associated with the Southeast Project, including but not limited to the Covanta service fee and annual true up, as MIRA will no longer be in possession or control of the Southeast Project revenues. The only exception to this release will be payment of costs related to ongoing project and closeout activities for which MIRA will reserve funds.
 - Covanta will need to concur that effective with November MSW deliveries, it will issue invoices payable to SCRRA and send SCRRA a monthly record of all such invoices.
 - Covanta and C,L&P will need to concur that payment for power produced in October (and going forward) will be payable to SCRRA.
 - Preston will need to be notified that responsibility for payment of the PILOT will be transferred to SCRRA and the January payment will include funds from MIRA and SCRRA.
 - MIRA, SCRRA and Wheelabrator will need to agree that MIRA's contract as it relates to ash disposal for the Southeast Project will be transferred to SCRRA.
- Financial Reporting – MIRA's financial statements and annual independent audit for FY 2016 will reflect the fund distribution activity as noted above for the period ending November 30, 2015.
- Budget Development – MIRA will oversee development of the FY 2017 budget as it has in the past and SCRRA representatives will be included in each step with a view toward documenting and final training on the process.

Please note that the release of liability and required concurrences noted above address only the flow of funds activity that may be transferred from MIRA to SCRRA in accordance with this letter. The Service Agreement, the Bridge and Management Agreement and related contracts remain in full force and effect, unaltered by such transfer, unless and until modified in writing, executed by the appropriate parties. MIRA would appreciate SCRRA providing drafts of the requested releases and concurrences as early as possible. If SCRRA would prefer that MIRA attorney's draft the documents we will proceed accordingly. However, please note this would require MIRA to allocate the related expense to the Southeast Project.

Sincerely,

A handwritten signature in black ink, appearing to read "T D Kirk", written in a cursive style.

Thomas D. Kirk
President and Chief Executive Officer

Cc: Donald S. Stein
John Phetteplace
Mark Daley
Laurie Hunt
Peter Egan
Thomas Lyons

Exhibit B

**Agreement between Southeastern Connecticut Regional Resources Recovery Authority ("SCRRRA")
and the Materials Innovation and Recycling Authority ("MIRA")**

MIRA FINANCE 11/12/2015 – ATTACHMENT 4 - EXHIBIT B
RELEASE AND INDEMNIFICATION AGREEMENT

This RELEASE AND INDEMNIFICATION AGREEMENT (this “Agreement”), made and entered into as of this ____ of November, 2015 (the “Effective Date”), by and between Southeastern Connecticut Regional Resources Recovery Authority, a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (“SCRRRA”); and Materials Innovation and Recycling Authority (formerly Connecticut Resources Recovery Authority), a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (“MIRA”). SCRRRA and MIRA are sometimes hereinafter referred to individually as a “Party and collectively as the “Parties.”

RECITALS

WHEREAS, the Parties have cooperated in the creation and operation of the Southeastern Connecticut Resources Recovery Project (the “Project”), including with respect to the construction and operation of the Project’s Mass Burn solid waste disposal and electric generation facility (the “Facility”) located in the Town of Preston, Connecticut (“Preston”); and

WHEREAS, in furtherance of the Project, the Parties individually or collectively executed certain agreements and other documents (collectively, the “Project Documents”); and

WHEREAS, the Project Documents include without limitation that certain Bridge and Management Agreement by and between the Parties and dated on or about December 1, 1987 (the “Bridge and Management Agreement”), setting forth certain rights and obligations of the Parties with respect to the Project and the Facility; and

WHEREAS, the Project Documents also include that certain Service Agreement executed with the consent and approval of SCRRRA and by and between MIRA on the one hand, and American Ref-Fuel Company of Southeastern Connecticut as “Operator” on the other hand, dat-

ed on or about December 1, 1987, as amended from time to time (as so amended, the "Service Agreement"), for the construction and operation of the Facility; and

WHEREAS, Covanta Southeastern Connecticut Company ("Covanta"), on or about [**DATE**], has succeeded to the rights and obligations of the Operator under the Service Agreement; and

WHEREAS, the Project Documents also include that certain 2010 Series A Supplemental Indenture of Mortgage and Trust, dated as of December 1, 2010 (the "2010 Series A Supplemental Indenture"), by and between MIRA on the one hand, and U.S. Bank National Association, as successor-in-interest to State Street Bank and Trust Company (the "Successor Trustee") as successor-in-interest to The Connecticut National Bank (the "Original Trustee"), as trustee (the "Trustee") on the other hand; being supplemental to and amendatory of an Indenture of Mortgage and Trust dated as of December 1, 1988 (the "1988 Indenture"), as amended and supplemented by the 1989 Series A Supplemental Indenture of Mortgage and Trust dated as of June 1, 1989 (the "1989 Series A Supplemental Indenture"), by Amendment No. 2 to Indenture of Mortgage and Trust dated as of September 29, 1992 (the "1992 Amendment"), each by and between MIRA and the Original Trustee; and as further amended by the 1998 Series A Supplemental Indenture of Mortgage and Trust dated as of March 1, 1998 (the "1998 Series A Supplemental Indenture"), and the 2001 Supplemental Indenture dated as of April 1, 2001 (the "2001 Supplemental Indenture"), each by and between MIRA and the Successor Trustee (the 1988 Indenture, the 1989 Series A Supplemental Indenture, the 1992 Amendment, the 1998 Series A Supplemental Indenture and the 2001 Supplemental Indenture collectively being the "Original Indenture"; and the Original Indenture as amended and supplemented by the 2010 Series A Supplemental Indenture being the "Indenture"); and

WHEREAS, pursuant to the 1988 Indenture, MIRA issued its \$102,630,000 Resource Recovery Revenue Bonds (the "1988 Series A Bonds") to finance Facility costs; and pursuant to the 1989 Series A Supplemental Indenture, MIRA issued its \$3,935,000 Resource Recovery Revenue Bonds (the 1989 Series A Bonds") to finance certain additional Project costs; and

WHEREAS, the 1989 Series A Bonds were subsequently paid in full and are no longer outstanding; and

WHEREAS, pursuant to the 1998 Series A Supplemental Indenture, MIRA issued its \$87,650,000 Resource Recovery Bonds (the "1998 Series A Bonds") to refund the outstanding 1988 Series A Bonds; and

WHEREAS, pursuant to the 2010 Series A Supplemental Indenture, MIRA issued its \$27,750,000 Resource Recovery Revenue Refunding Bonds (the "Bonds") to refund the outstanding 1998 Series A Bonds; and

WHEREAS, pursuant to its obligations under the Indenture, MIRA has collected Project payments from and made Project disbursements to certain entities including SCRRRA and Covanta (such collections and disbursements, together with the creation of related reports being collectively the "Project Funds Activities"); and

WHEREAS, the Bonds shall mature on or about November 15, 2015 (the "Maturity Date") and MIRA's obligations as to the Project Funds Activities, subject to certain Project close-out activities, shall cease as of the Maturity Date; and

WHEREAS, SCRRRA has agreed to perform the Project Funds Activities on and after the Release Date (as hereinafter defined); and

WHEREAS, in consideration for MIRA's agreement that SCRRRA shall so perform the Project Funds Activities, SCRRRA has agreed to provide certain releases and indemnification to MIRA;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENTS

1. **Project Funds Activities.** As of the Effective Date the Project Funds Activities include without limitation the following:

- (a) The recording and tracking of Project invoices issued by Covanta and the collection of Project payments for such invoices;
- (b) The payment to Covanta of "Service Fees" as defined in and pursuant to the Service Agreement;
- (c) The payment to SCRRRA of funds sufficient for its Project operating budget and administrative expenses ("SCRRRA Payments");
- (d) The receipt and disbursement of certain Project revenues ("Electric Revenues") resulting from the Facility's generation of electric energy;
- (e) The payment to Preston of PILOT ("PILOT Payments") for the Facility and the Project; and
- (f) The delivery of Facility ash ("Ash Deliveries") to Wheelabrator Technologies Inc. ("Wheelabrator"), and payments ("Ash Payments") to Wheelabrator for its acceptance of the Ash Deliveries.

As used hereinafter, the term "Third Party" (or "Third Parties") shall apply to (i) any of the above entity or entities in this Section 1 other than a Party; and (ii) any entity or entities other than a Party generally.

2. **Release Date. SCRRRA Assumption of Project Funds Activities.** The "Release Date" shall be that date upon which each and every one of the Conditions Precedent contained in Section 3 hereof has been satisfied. This Agreement is effective as of the Effective Date; however, the rights and obligations of the Parties hereunder shall commence on the Release Date.

As of the Effective Date, it is the Parties' intent that MIRA shall be released from its obligations with respect to the Project Funds Activities, and that SCRRRA shall assume and perform such obligations, pursuant to the schedule described in the September 30, 2015 letter from

MIRA President Thomas D. Kirk to SCRRRA Executive Director David Aldridge, attached hereto as **Exhibit A** and made a part hereof. If for any reason the schedule in **Exhibit A** cannot be met, then the Parties shall agree upon a revised schedule.

3. **Conditions Precedent.** The Parties' rights and obligations hereunder with respect to the Project Funds Activities and the related SCRRRA Release and Indemnification, are subject to the satisfaction of each of the following Conditions Precedent:

- (a) The receipt by MIRA from Covanta of a release effective on or before the Release Date and satisfactory to MIRA in all respects, releasing MIRA from any further obligations under the Service Agreement with respect to the payment of Service Fees to Covanta.
- (b) The receipt by MIRA of an opinion of Bond Counsel effective on or before the Release Date and satisfactory to MIRA in all respects, to the effect that the relinquishment by MIRA of the Project Funds Activities and SCRRRA's assumption of the same on and after the Release Date, shall neither violate any provision of the Indenture nor otherwise conflict with the Indenture.
- (c) The receipt by MIRA from Wheelabrator of a release or other equivalent instrument effective on or before the Release Date and satisfactory to MIRA in all respects, releasing MIRA from any further obligations with respect to Ash Deliveries or Ash Payments to Wheelabrator.
- (d) The receipt by MIRA from Preston of a release effective on or before the Release Date and satisfactory to MIRA in all respects, releasing MIRA from any further obligations with respect to PILOT Payments.

4. **Assumption of Project Funds Activities by SCRRRA. Release and Indemnification of MIRA by SCRRRA.** The Parties agree that on and after the Release Date: (i) SCRRRA shall assume the obligation to perform and the performance of the Project Funds Activities; and that (ii) MIRA shall be relieved of the obligation to perform and shall no longer perform the Project Funds Activities. In consideration for MIRA's agreement to so relinquish its obligations with respect to the Project Funds Activities, on and after the Release Date SCRRRA, for itself and its

predecessors, successors, directors, officers, employees, agents, attorneys and representatives (collectively, the "SCRRA Entities") and notwithstanding any provision of any Project Document to the contrary, further agrees to forever release and discharge MIRA and its predecessors, successors, directors, officers, employees, agents, attorneys and representatives (collectively, the MIRA Entities"), from any and all manner of claims, demands, actions, and causes of actions, suits, rights, obligations liabilities, fees (including reasonable attorney's fees), costs, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, damages and judgments whatsoever in law or in equity, which against any of the MIRA Entities, any of the SCRRA Entities ever had, now has, or shall or may have, by reason of any matters relating to MIRA's relinquishment of the Project Funds Activities and SCRRA's assumption of the same on and after the Release Date.

For itself and on behalf of each of the other SCRRA Entities and notwithstanding any provision of any Project Document to the contrary, SCRRA agrees to indemnify, hold harmless and defend each of the MIRA Entities from and against any and all claims, demands, actions, and causes of actions, suits, rights, obligations liabilities, fees (including reasonable attorney's fees), costs, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, damages and judgments whatsoever in law or in equity, by any Third Party resulting from, related to or otherwise in connection with MIRA's relinquishment of the Project Funds Activities and SCRRA's assumption of the same on and after the Release Date. Without limitation of the preceding sentence and on behalf of each of the other SCRRA Entities, SCRRA specifically agrees to indemnify, hold harmless and defend each of the MIRA Entities from and against any and all claims, demands, actions, and causes of actions, suits, rights, obligations liabilities, fees (including reasonable attorney's fees), costs, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, damages and judgments whatsoever in law or in equity, arising from any assertion by Covanta that the Parties wrongfully entered into this Agreement.

5. Miscellaneous. Each Party represents and warrants to the other Party that it has all necessary authority to enter into this Agreement, and that its executing representative has been duly authorized to execute this Agreement.

MIRA Draft 11/06/2015

It is the intent of the Parties that the Project Documents (other than the Indenture and including without limitation the Bridge and Management Agreement and the Service Agreement), shall remain in full force and effect, *mutatis mutandis*, notwithstanding the execution of this Agreement.

[Remainder of page intentionally left blank; signature page follows.]

MIRA Draft 11/06/2015

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

MATERIALS AND INNOVATION RECYCLING AUTHORITY

By: _____
Name
Its

SOUTHEASTERN CONNECTICUT REGIONAL RESOURCES
RECOVERY AUTHORITY

By: _____
John Phetteplace
Its President

Exhibit C

**Release made by Covanta Southeastern Connecticut Company for the benefit the Materials
Innovation and Recycling Authority**

MIRA FINANCE 11/12/2015 – ATTACHMENT 4 - EXHIBIT C

RELEASE

This Release (this "Release") is made and entered into as of November __, 2015 by Covanta Southeastern Connecticut Company (the "Company") for the benefit of the Materials Innovation and Recycling Authority ("MIRA"), as successor-in-interest to the Connecticut Resources Recovery Authority. The Company and MIRA are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

WHEREAS:

A. MIRA, together with the Southeastern Connecticut Regional Resource Recovery Authority ("SCRRA"), developed the Southeastern Connecticut Resources Recovery Project (the "Project"), including the construction and operation of the Project's Mass Burn solid waste disposal and electric generation facility (the "Facility") located in the Town of Preston, Connecticut.

B. The Parties executed that certain Service Agreement dated as of December 1, 1987 (as amended by Amendments No. 1 through No. 8 thereto, the "Service Agreement"), for the construction and operation of the Facility. Capitalized terms used but not defined herein shall have the meanings given them in the Service Agreement. Pursuant to the Service Agreement MIRA pays the Company Service Fees in consideration for the Company acting as Operator of the Facility

C. MIRA financed the Project through the issuance of bonds, including but not limited to \$102,630,000 Resource Recovery Revenue Bonds, which were partially refunded through subsequent bond issuances, with the remaining refunding bond issuance occurring in 2010 as set forth in a 2010 Series A Supplemental Indenture ("Indenture"), by and between MIRA and U.S. Bank National Association (the "Bonds").

D. Following the payment in full of the principal of and the interest on the Bonds at maturity, which shall occur on or about November 15, 2015, the Indenture will be satisfied and released, and following a transition period anticipated by the Parties to end on or about December 1, 2015 (the "Transition Period"), certain Project revenues and payment obligations herein collectively defined as "Project Activities" shall no longer be applied in accordance with the Indenture and MIRA shall be released from its obligation pursuant to the Indenture with respect to the Project Activities (the "Indenture Release"). The Project Activities are to be transferred to SCRRA under a Release and Indemnification Agreement and shall include without limitation the following:

- a. The recording and tracking of Project invoices issued by Covanta and the collection of Project payments for such invoices;
- b. The payment to Covanta of "Service Fees" as defined in and pursuant to the Service Agreement;

- c. The payment to SCRRRA of funds sufficient for its Project operating budget and administrative expenses ("SCRRRA Payments"); and
- d. The receipt and disbursement of certain Project revenues ("Electric Revenues") resulting from the Facility's generation of electric energy.

E. By letter dated September 30, 2015 and by resolution of its Board of Directors on October 22, 2015, MIRA confirmed its willingness, subject to certain conditions precedent including without limitation the Indenture Release, this Release from the Company and certain other releases, to transfer to SCRRRA the obligation for handling receipt, custody and disbursement of all revenues (the "Flow of Funds") included among the Project Activities for all periods after the satisfaction of all such conditions precedent (the "Release Date") and the conclusion of the Transition Period, and SCRRRA has confirmed its willingness to accept such obligation for the Flow of Funds.

NOW, THEREFORE, in consideration of the transfer to SCRRRA of the Project Activities and the obligation with respect to the Flow of Funds, including without limitation the payment to the Company of the Service Fees, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company, for itself and its predecessors, successors, directors, officers, employees, agents, attorneys and representatives (individually a "Company Entity" and collectively in groups of two or more, the "Company Entities"), hereby releases, remises and forever discharges MIRA, together with its predecessors, successors, directors, officers, employees, agents, attorneys and representatives (individually a "MIRA Entity" and collectively in groups of two or more, "MIRA Entities"), of and from all, and any manner of claims, demands, actions and cause or causes of actions, suits, rights, obligations, liabilities, fees (including reasonable attorney's fees), debts, costs, sums of money, accounts, reckonings, bonds, bills, covenants, controversies, damages and judgments whatsoever in law or in equity, debts, sums of money, accounts, reckoning, bonds, bills, covenants, contracts, controversies, which against any MIRA Entity the Company or any Company Entity ever had, now has or have, or shall or may have, by reason of any matters relating to the Project Activities and Flow of Funds, for all periods after the Release Date, including without limitation the payment of the Service Fees to the Company, for all periods after the Release Date."

This Release is conditioned upon SCRRRA executing a Release and Indemnification Agreement with MIRA assuming the aforesaid obligation for the Project Activities, including but not limited to the Flow of Funds, for all periods after the Release Date. The Parties agree that except as modified to the extent necessary by this Release, the Service Agreement shall remain in full force and effect, and the Parties hereby ratify as so modified, each and every provision of the Service Agreement.

[Signature page follows next]

MIRA Draft of 11/09/2015

EXECUTED as of the date first above written.

COVANTA SOUTHEASTERN CONNECTICUT COMPANY,
By its General Partner: Covanta Connecticut (S.E.), LLC

By: _____

Name: _____

Title: _____

TAB 5

RESOLUTION AUTHORIZING THE PRESIDENT TO AGREE TO A SETTLEMENT

RESOLVED: That the President is hereby authorized to agree to settlement with one of the remaining defendant financial institutions in the matter known as *CRRA v. Lay, et al*, subject and pursuant to the approval of the Attorney General, including taking all actions, executing all documents, and doing all other things necessary to accomplish a settlement substantially on the terms discussed at this meeting.

TAB 6

RESOLUTION REGARDING FINAL DISTRIBUTION OF FUNDS FOR THE BRIDGEPORT PROJECT

WHEREAS, on April 26, 2009 the Materials Innovation and Recycling Authority (the "Authority") formerly the Connecticut Resources Recovery Authority ("CRRRA") Board of Directors (the "Board") adopted a resolution authorizing the establishment of a Post Project Reserve relating specifically to the former Bridgeport Project; and

WHEREAS, the Bridgeport Project officially ended on December 31, 2008 and the ownership of the Resource Recovery Facility ("RRF") located in Bridgeport Connecticut was transferred to the Operator of the RRF (the "OPERATOR") as prescribed in the Bridgeport Project Solid Waste Disposal Agreement; and

WHEREAS, in order to effectively mitigate Bridgeport Project legacy liabilities associated with the RRF, the Project transfer stations, the Project landfills, and other Project related liabilities prior to the RRF's transfer to the Operator certain funds were deposited into the Bridgeport Post Project Reserve; and

WHEREAS, there are no more quantifiable liabilities for which funds need to be maintained; and

WHEREAS, as of October 31, 2015, the Bridgeport Post Project Reserve has a remaining balance of \$141,168.86 which can be returned to the Towns; and

WHEREAS, in addition to the Bridgeport Post Project Reserve the Bridge Bridgeport Project has a bank account with funds, as of October 31, 2015, in the amount of \$116.20 which can be returned to the Towns; and

WHEREAS, the Board has previously approved distributions to the Bridgeport Project Towns (the "Towns") based on the Towns' request to use a five and half year weighted average for tonnage commitment payments and tons delivered to the Bridgeport Project by the Towns; and

WHEREAS, the percentage of the relative amounts of acceptable solid waste committed and/or delivered by each Town has been developed to reflect tonnage commitment payments and tons delivered for the five and half year time period beginning July 1, 2004 and ending December 31, 2009; and

WHEREAS, the funds in the Bridgeport Post Project Reserve are the only Bridgeport Project funds remaining with the Authority and once these funds have been distributed the Authority's Bridgeport Project will be completed.

NOW THEREFORE, be it

RESOLVED: That the Bridgeport Post Project Reserve account and the Bridgeport Project bank account be closed and the accounts' funds in the amount of \$141,168.86 and \$116.21 respectively together with applicable interest be distributed to the Bridgeport Project Towns in the percentage values and dollar amounts as follows based upon the tonnage formula previously agreed to by the Towns and the Board:

Town	Total of Tons Committed and Delivered FY2005-2009:	Percentage of Tonnage:	Distribution Amount:
Bethany	\$ 670,087	0.37%	\$ 522.75
Bridgeport	\$ 30,970,725	17.21%	\$ 24,315.16
Darien	\$ 4,665,590	2.59%	\$ 3,659.28
East Haven	\$ 6,257,601	3.48%	\$ 4,916.72
Easton	\$ 1,304,479	0.73%	\$ 1,031.38
Fairfield	\$ 20,380,681	11.32%	\$ 15,993.47
Greenwich	\$ 23,663,500	13.15%	\$ 18,578.99
Milford	\$ 18,135,682	10.08%	\$ 14,241.54
Monroe	\$ 5,114,459	2.84%	\$ 4,012.50
Norwalk	\$ 21,182,496	11.77%	\$ 16,629.25
Orange	\$ 2,718,611	1.51%	\$ 2,133.40
Shelton	\$ 8,437,007	4.69%	\$ 6,626.27
Stratford	\$ 11,557,532	6.42%	\$ 9,070.50
Trumbull	\$ 8,711,097	4.84%	\$ 6,838.20
Weston	\$ 2,297,669	1.28%	\$ 1,808.45
Westport	\$ 8,383,378	4.66%	\$ 6,583.88
Wilton	\$ 3,996,415	2.22%	\$ 3,136.53
Woodbridge	\$ 1,518,867	0.84%	\$ 1,186.79
Total	\$ 179,965,877	100.00%	\$ 141,285.07

TAB 7

**RESOLUTION REGARDING
A REPLACEMENT ROOF AT MIRA'S COLLINS
BUILDING LOCATED AT 171 MURPHY ROAD IN
HARTFORD**

RESOLVED: That the President is hereby authorized to execute an agreement for installation of a replacement roof at 171 Murphy Road (the "Collins Building") with Quality Roofing Services, Inc., substantially as presented and discussed at this meeting.

CONTRACT SUMMARY
For Contract Entitled
AGREEMENT FOR
REPLACEMENT OF ROOF AT 171 MURPHY ROAD

Presented to the CRRA Board:	November 19, 2015
Vendor/Contractor(s):	Quality Roofing Services, Inc.
Effective Date:	Upon Execution
Term:	90 Days Following Issuance of Notice to Proceed
Term Extensions:	None
Contract Type/Subject matter:	Construction/Roof Replacement
Facility(ies)/Project(s) Affected:	Collins Building
Contract Dollar Value:	\$217,800.00
Scope of Services:	Furnish all tools, materials, labor, equipment and incidentals thereto necessary for replacement of the Collins Building roof.
Bid Security:	Contractor provided a bid bond for 5% of the Bid Price
Performance Security:	Contractor will provide a performance bond in the amount of the contract price.
Budget Status:	This work is included in the Property Division Capital Budget for FY 2016.
Warranty:	20 year warranty. The warranty is transferable in the event MIRA was to sell the building.

REPLACEMENT ROOF PROJECT AT THE COLLINS BUILDING (171 MURPHY ROAD)

November 19, 2015

Executive Summary

This is to request approval of the MIRA Board of Directors for the President to enter into an agreement with Quality Roofing Services, Inc. to furnish all tools, materials, labor, equipment and incidentals thereto necessary for the replacement of the roof at the Collins Building.

Discussion

The Collins Building was constructed in 1969. MIRA purchased the building in 1991 in order to own property behind the building on which was constructed the dual scales and scalehouse associated with MIRA's recycling facility at 211 Murphy Road. The roof on the Collins Building is a tar/asphalt roof, and is believed to be the original roof. The roof of the Collins Building has deteriorated and needs to be replaced.

MIRA retained the services of HRP Associates to provide engineering consulting support to develop a specification for a new roof and produce the technical bid specifications for the roof system, including a specification for removal of asbestos (non-friable asbestos is present in the flashing around the edge of the roof.) (HRP Associates is one of the engineering firms with which MIRA has a three-year engineering services agreement and MIRA executed a Request for Services with HRP pursuant to that agreement for this consulting support.)

The appropriate replacement roof system is an EPDM roof. EPDM is an extremely durable synthetic rubber roofing membrane typically used in low-slope buildings. The Collins building has a flat roof. The roof will be mechanically fastened to the roof decking.

Solicitation Process

MIRA issued a Request For Proposals For Replacement Of Roof At 171 Murphy Road ("RFP") on October 8, 2015. At the time, all documents related to this request for qualifications were posted to the "Business Opportunities" page of the MIRA website. The "Notice to Firms" was also posted to the State Contracting Portal at the Connecticut Department of Administrative Services website at that time.

The availability of the RFP was noticed in the following publications on Sunday September 27, 2015, or the next publication date thereafter:

- the Hartford Courant,
- La Vos Hispania
- the Northeast Minority News

In addition, an e-mail announcing the availability of the RFP (the text of the newspaper announcement) was sent to a list of installation contractors that was obtained from a roofing consultant that the authority has worked with in the past. This list included:

- Allied Restoration, East Hartford CT
- Commercial Roofing, Putnam CT
- Gold Seal Roofing, Thomaston CT
- The Imperial Company, Cromwell CT
- New England Masonry and Roofing, Naugatuck, CT
- Quality Improvements, Middlefield CT
- Quality Roofing, West Haven CT
- Silktown Roofing, Manchester CT

RFP Results

Proposals were due October 29, 2015. Sealed Proposals were received from 9 firms:

- Allied Restoration
- CCM Construction Services
- Commercial Roofing & Contracting
- The Imperial Company
- New Britain Roofing Co., Inc.
- New England Masonry and Roofing
- Quality Roofing Services, Inc.
- Silktown Roofing, Inc.
- Young Developers, LLC

As part of their proposals, Firms were asked to submit a lump sum for each category of work within the project, and a per-square foot price for any steel deck which was found to be in need of replacement after the existing roof material was removed. The following table indicates the firms submitting proposals and the prices proposed.

Comparison of Proposal Pricing – RFP 16-OP-001 (Collins Building Roof Replacement)

Comparison of Lump Sum Prices		Allied	CCM	Commercial	Imperial	New Britain	New England Masonry	Quality	Silktown	Young Developers
1	Subtotal - Lump Sum Price for Removal and Disposal of Asbestos Containing Materials	\$ 8,000.00	\$ 14,000.00	\$ 20,500.00	\$ 8,000.00	\$ 27,380.00	\$ 7,412.00	\$ 15,000.00	\$ 6,000.00	\$ 8,500.00
2.1	Subtotal for Roof Removal (as detailed in Section 070150.1 of Exhibit B of the Agreement – Section 5 of the RFP Package Documents).	\$ 70,000.00	\$ 30,000.00	\$ 63,000.00	\$ 48,000.00	\$ 62,206.00	\$ 82,757.00	\$ 35,000.00	\$ 44,250.00	\$ 59,700.00
2.3	Subtotal for EPDM Roofing System Installation (as detailed in Section 072113 of Exhibit B of the Agreement – Section 5 of the RFP Package Documents).	\$ 85,000.00	\$ 40,000.00	\$ 41,000.00	\$ 44,900.00	\$ 61,206.00	\$ 74,712.00	\$ 50,000.00	\$ 75,150.00	\$ 82,700.00
2.4	Subtotal for Steel Deck Repair (as detailed in Section 070150.2 of Exhibit B of the Agreement – Section 5 of the RFP Package Documents).	\$ 107,000.00	\$ 144,000.00	\$ 215,000.00	\$ 108,100.00	\$ 62,208.00	\$ 66,000.00	\$ 102,200.00	\$ 84,300.00	\$ 127,600.00
	Total of Lump Sum Prices	\$ 270,000.00	\$ 228,000.00	\$ 339,500.00	\$ 209,000.00	\$ 213,000.00	\$ 230,881.00	\$ 202,200.00	\$ 209,700.00	\$ 278,500.00

Variable Costs										
2.2	Subtotal For Steel Deck Repair (as detailed in Section 070150.1 of Exhibit B of the Agreement – Section 5 of the RFP Package Documents).	\$ 6.75	\$ 14.00	\$ 12.00	\$ 6.60	\$ 6.00	\$ 9.50	\$ 8.00	\$ 6.00	\$ 22.00
	Assume 10% of roof decking replaced (19,500 sf x 0.10 = 1,950 sf)				\$ 12,870			\$ 15,600	\$ 11,700	
Total of Lump Sum and Variable Costs					\$ 221,870			\$ 217,800	\$ 221,400	

Recommendation

Based on the prices submitted by the proposers, MIRA staff recommends that the Collins Building roof replacement contract be awarded to Quality Roofing Services, Inc., the lowest price proposer for an acceptable roofing system.

For purposes of comparing bid prices, MIRA has assumed that 10% of the roof decking will be replaced. This is the only variable cost in the bid proposals. Ten percent is a conservative number: both MIRA's consultant and the contractor believe that the area of roof that will require decking replacement will be less than 10%. Assuming that 10% of the roof decking will be replaced, Quality Roofing Services, Inc. is the overall low bidder. In fact, Quality Roofing Services, Inc. remains the low bidder assuming 19% of the roof decking is replaced. The table presents the variable cost component for the three low bidders.

The roofing system is manufactured by Firestone, and Firestone provides a 20 year warranty for the roofing system. Quality Roofing Services, Inc. is licensed by Firestone as a Master Installer. Upon completion of the job, Firestone will send a representative to conduct a final quality assurance inspection on the new roof and confirm that it has been properly installed.

The warranty is transferable in the event that MIRA sells the building in the future.

MIRA and HRP reviewed the qualifications and experience of Quality Roofing Services, Inc., and conducted an interview with principals of the company. MIRA staff contacted seven references provided by the company; all references were satisfactory. MIRA staff is confident that the firm is qualified to do the work in a satisfactory manner, and recommends that the Board of Director's approve the agreement with Quality Roofing Services, Inc. Quality Roofing Services, Inc. estimates that it will complete the job in 3 weeks from receiving a notice to proceed.

Financial Summary

Sufficient funds for the Collins Building roof replacement project are included in the FY 2016 Property Division capital budget.