

Policies & Procurement Committee
Oct. 8, 2015
Regular Telephonic Meeting Draft Minutes

Members Present by phone: Committee Chairman John Adams
 Vice-Chairman Richard Barlow (present by telephone)

MIRA Staff Present: Tom Kirk, President
 Mark Daley, Chief Financial Officer
 Roger Guzowski, Contracts and Procurement Manager
 Katha Kerr, Senior Operations Analyst
 Moirra Kenney, Assistant HR Manager/Board Administrator

Also Present: John Pizzimenti, USA Hauling

Committee Chairman Adams called the meeting to order at 11:05 a.m. and noted that a quorum was present.

Committee Chairman Adams noted there were no members of the public present who wished to address the Committee and said the regular meeting would commence.

1. APPROVAL OF MINUTES OF THE SEPT. 10, 2015, REGULAR MEETING

Committee Chairman Adams requested a motion to accept the minutes of the Regular June 11, 2015, Policies & Procurement Committee meeting. The motion to approve the minutes was made by Vice-Chairman Barlow and seconded by Chairman Adams.

The motion to approve the minutes was approved unanimously by roll call.

2. REVIEW AND RECOMMEND RESOLUTION REGARDING TIER 2 MUNICIPAL SOLID WASTE MANAGEMENT SERVICES AGREEMENT FOR THE PROVISION OF ACCEPTABLE SOLID WASTE AND ACCEPTABLE RECYCLABLES SERVICES

Committee Chairman Adams requested a motion on the above referenced matter. The motion to approve was made by Vice-Chairman Barlow and seconded by Chairman Adams.

RESOLVED: The President is hereby authorized to enter into a Tier 2 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. Kirk said this resolution will permit East Hartford to enter into an agreement with MIRA. He said East Hartford elected to enroll in a Tier 2 three year term with a modification to also submit

their recyclables. He said a premium over the Tier 1 price will be paid. Mr. Kirk noted that the contract does not include flow control however the City of East Hartford has an ordinance for flow control already and due to the location of the plant MIRA already receives 100% of the City's commercial waste.

The motion previously made and seconded was approved unanimously by roll call.

3. **REVIEW AND RECOMMEND RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

Committee Chairman Adams requested a motion on the above referenced matter. The motion to approve was made by Vice-Chairman Barlow and seconded by Chairman Adams.

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 there are currently three legal items being paid out of the Mid-Conn reserve, the MDA arbitration, the Tremont issue, and an appeal of a FOIA ruling. He said the Tremont issue is being paid by MIRA's insurance and about \$40,000 remains in the retainer. Mr. Kirk said management does not expect the next bill to be significant.

Mr. Kirk said the MDC arbitration may be headed to phase two and if so is expected to be a lengthy and expensive process as evidence from actuarial experts and other costly witnesses will be given. He said MIRA continues to seek an agreement with MDC. He said \$60,000 from FY15 costs for legal hit the FY16 budget for Halloran & Sage.

The motion previously made and seconded was approved by roll call.

4. **INFORMATIONAL**

Vice-Chairman Barlow asked why internet services in the amount of \$300.00 are being paid for the Stratford offices. Mr. Kirk explained that is for the phone service which is necessary to keep both the alarm and phone service active and that is the cheapest way to keep that service in place.

Mr. Kirk said concerning the exceptions to the competitive process there is a payment for Connecticut gross receipts taxes associated with the jet fuel purchase. He said in the past MIRA successfully avoided the gross receipts tax as its prior provider provided those costs as a pass through and as MIRA was tax exempt they were not billed.

Mr. Kirk said the new DAS provider, Dime Oil has been told by the Department of Revenue services that tax must be collected as part of its agreement with the State. He said as a result MIRA must pay that tax which is about 9% of the cost of the fuel, a variable amount. Mr. Kirk said management investigated the charge and found that municipalities also pay it and its unlikely MIRA would be able to avoid paying it. Mr. Kirk said the cost would be considered part of jet fuel costs going forward.

5. **ADJOURNMENT**

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

The meeting was adjourned at 11:18 a.m.

Respectfully submitted,

Moira Kenney
Assistant HR Manager/Board Administrator