

Materials Innovation Recycling Authority
Regular Board of Directors Meeting

Agenda

June 23, 2016
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 May 26, 2016, Board Meeting Minutes (Attachment 1).

IV. Polices & Procurement Committee Report

2. Board Action will be sought for Resolution Regarding MIRA's Solicitation for Energy Product Management Services for the Waste-to-Energy Facility and the Jet Turbine Facility located at MIRA's South Meadows site (Attachment 2).

V. Finance Committee Report

3. Board Action will be sought for the Resolution Concerning Selection of MIRA 401K Plan (Attachment 3).
4. Board Action will be sought for the Resolution Concerning FY 2016 Recycling Rebate (Attachment 4).

V. Chairman and President's Reports

VII. 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.

Materials Innovation and Recycling Authority

200 Corporate Place, Suite 202

Rocky Hill, CT 06067

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

MEMORANDUM

TO: MIRA Board of Directors

FROM: Moira Kenney, Assistant HR Manager/Board Administrator

DATE: June 17, 2016

RE: Notice of Regular Board Meeting

There will be a Regular Meeting of the Materials Innovation and Recycling Authority Board of Directors on Thurs. June 23, 2016, at 9:30 a.m. The meeting will be available to the public in the Board Room at 200 Corporate Place, Suite 202, Rocky Hill, CT 06067.

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

TAB 1

MATERIALS INNOVATION AND RECYCLING AUTHORITY

FOUR HUNDRED AND SIXTY-FIFTH

MAY 26, 2016

A regular meeting of the Materials Innovation and Recycling Authority Board of Directors was held on Thurs. May 26, 2016, 2016, 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
Ralph Eno
Jim Hayden
Andy Nunn (present by telephone)
Bob Painter
Scott Shanley
Patricia Wildlitz

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
Thomas Edstrom, Risk Manager
Laurie Hunt, Director of Legal Services
Virginia Raymond, Operations Manager
Moira Kenney, Assistant HR Manager/Board Administrator

Others Present: Ann Catino, Esq., Halloran & Sage, John Pizzimenti, USA Hauling.

Chairman Stein called the meeting to order at 9:34 a.m. and said a quorum was present.

APPROVAL OF THE SPECIAL TELEPHONIC APRIL 26, 2016, BOARD MEETING MINUTES

Chairman Stein requested a motion to approve the minutes of the Special Telephonic Apr. 28, 2016, Board Meeting. Director Adams made the motion which was seconded by Vice-Chairman Barlow.

The motion to approve the minutes was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

APPROVAL OF THE REGULAR APR. 28, 2016, BOARD MEETING MINUTES

Chairman Stein requested a motion to approve the minutes of the regular Apr. 28, 2016, Board Meeting. Director Adams made the motion which was seconded by Vice-Chairman Barlow.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Marilyn Cruz-Aponte	X		
Ralph Eno			X
Jim Hayden	X		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

RESOLUTION REGARDING A COOPERATIVE SERVICE AGREEMENT BETWEEN MIRA AND THE USDA ANIMAL AND PLANT HEALTH INSPECTION SERVICES/WILDLIFE SERVICES FOR BIRD CONTROL

Chairman Stein requested a motion on the resolution above. Vice-Chairman Barlow made the motion which was seconded by Director Eno.

RESOLVED: That the President is hereby authorized to execute an agreement with the United States Department of Agriculture Animal and Plant Health Inspection Services - Wildlife Services, for the control of nuisance birds at the South Meadows Waste Processing Facility, substantially as presented and discussed at this meeting.

Director Adams said this is a standard resolution concerning vector control at the plant which comes before the Board on an annual basis. Mr. Kirk said the USDA is engaged as a contractor with special capabilities and are very skilled in their qualifications to keep bird and vermin population at the plant under control.

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, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

RESOLUTION REGARDING THREE YEAR ENGINEERING SERVICES AGREEMENTS

Chairman Stein requested a motion on the resolution above. Vice-Chairman Barlow made the motion which was seconded by Director Adams.

RESOLVED: That the President is hereby authorized to enter into contracts with the following firms and individuals for Engineering, Consulting, and Power-Product Professional Services, substantially as discussed and presented at this meeting:

General Engineering Services

Diversified Technology Consultants
D&B Engineers, LLC
Fuss & O'Neill, Inc.
GNCB Consulting Engineers, P.C.
HDR Engineering, Inc.
HRP Associates, Inc.
Langan CT, Inc.
Loureiro Engineering Associates, Inc.
Milone and MacBroom, Inc.
van Zelm Heywood & Shadford, Inc.

Resource Recovery and Energy-from-Waste

Arcadis U.S., Inc.
D&B Engineers, LLC
Gershman, Brickner, & Bratton, Inc.
Hatch Mott MacDonald New York, Inc.
HDR Engineering, Inc.
Project Management Associates, LLC
van Zelm Heywood & Shadford, Inc.

Recycling

Arcadis U.S., Inc.
D&B Engineers, LLC
Gershman, Brickner, & Bratton, Inc.
Hatch Mott MacDonald New York, Inc.
HDR Engineering, Inc.
Loureiro Engineering Associates, Inc.
Project Management Associates, LLC

Solid Waste Consulting Services

Alternative Resources, Inc.
Arcadis U.S., Inc.
D&B Engineers, LLC
Gershman, Brickner, & Bratton, Inc.
HDR Engineering, Inc.
Project Management Associates, LLC

**Power-Product Marketing,
Procurement and Consulting**

Daymark Energy Advisors
Power Advisory LLC

**Environmental Consulting
and Engineering Services**

Analytical Consulting Technology, Inc.
Arcadis U.S., Inc.
CK Environmental, Inc.
Diversified Technology Consultants
Fuss & O'Neill, Inc.
HDR Engineering, Inc.
HRP Associates, Inc.
Kleinschmidt Associates
Langan CT, Inc.
Loureiro Engineering Associates, Inc.
Sanborn, Head & Associates, Inc.
TRC Environmental Corporation
Zuvic, Carr and Associates, Inc.

Mr. Kirk said every three years MIRA goes out for engineering services to put in its stable. He said this resolution provides authorization for MIRA to use pre-qualified market tested engineering services' consultants. Mr. Kirk said there are six categories and there are times MIRA may need access to several firms in the same category due to specific capabilities and or conflicts. He said there are several new names on the list this year.

Mr. Kirk said there are no amounts attached to this resolution and that a rate and pre-qualified insurance needs have been identified in advance. He said any expenditure will be administered through the MIRA procurement policy and procedure including notice and or approval by the Board as required. Mr. Kirk said not all of the vendors will be used however, a robust stable is important as specialized skill sets may be needed from time to time.

Chairman Stein noted for full disclosure that his son is employed by Sanborn, Head & Associates, Inc. and he will abstain from the vote.

Vice-Chairman Barlow asked if the agreements with the current firms have run out. Mr. Kirk replied the present agreements will expire at fiscal year end and MIRA's policies require a new three year agreement for any returning vendors.

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

Directors	Aye	Nay	Abstain
Chairman Stein			X
Vice-Chairman Barlow	X		
John Adams	X		
Marilyn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden	X		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

RESOLUTION CONCERNING PROPOSED JULY 1 INSURANCE RENEWALS

Chairman Stein requested a motion on the resolution above. Director Shanley made the motion which was seconded by Director Hayden.

RESOLVED: That MIRA purchase the insurance coverage in the amount and from the carriers according to the recommended option A.1. as presented and discussed in this meeting.

RESOLVED: That MIRA purchase the engineering services in the amount and from the firms according to option B.2, as presented and discussed in this meeting.

RESOLVED: That MIRA exercise the option to finance the premium through a premium financing company according to option C. 2 as presented and discussed in the meeting

Director Shanley said the Finance Committee held an extensive discussion to review the terms of the insurance renewals. He said the Committee was pleased with the financial impact and ultimately voted to move forward with management's recommendation. Mr. Kirk said there was a typo on the first page, he asked the Board to strike B3 and write in C2, which is the option management recommends. He said MIRA's Risk Manager, Thomas Edstrom is present for any questions they may have.

Mr. Kirk said management is very pleased with the results achieved by MIRA's broker Beecher Carlson. He said the goal was to achieve the same level of coverage at the same premium and that goal was met with an additional savings achieved as well.

Mr. Kirk said the Finance Committee elected to bring the question of whether or not MIRA should continue to purchase terrorism insurance (at \$42,000) to the full Board. He said it is for a very limited application and is a highly unlikely event.

Mr. Edstrom said of the total premium about \$36,000 is rolled into the property insurance and about \$7,000 is rolled into the liability which is then rolled into the total premium. He said if the terrorism coverage was removed \$43,000 would come from the total bringing the cost down to \$1,000,020.

Mr. Edstrom said for an act to be covered by the terrorism insurance it has to be certified as terrorism by the US Treasury and has to have caused a minimum of \$5 million in damage. He said free standing terrorism insurance is also subject to very strict classifications before coverage is provided.

Mr. Daley said Mr. Edstrom and the brokers did an excellent job. He said the loss from the Terminator affected costs however the same coverage is offered in this program as it was the year prior minus a few minor changes. He said the team expected an increase because of the Terminator claim and a roughly \$70,000 increase in premiums was expected. However due to the condition of the markets and efforts of Mr. Edstrom and the brokers a savings of about \$41,000 in costs was achieved.

AMENDMENT TO THE RESOLUTION CONCERNING PROPOSED JULY 1 INSURANCE RENEWALS

Chairman Stein requested an amendment to the motion referenced above. Director Eno made a motion to amend the resolution by removing the terrorism coverage from the insurance package. Vice-Chairman Barlow seconded the amendment.

Director Shanley said the reason for the amendment is because terrorism insurance is unlikely to be used successfully without going through many years of expensive litigation given its specifications.

The amendment previously made and seconded was approved by roll call. Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, and Director Wildlitz voted yes. Chairman Stein, Director Hayden, Director Painter, and Director Shanley voted no.

Directors	Aye	Nay	Abstain
Chairman Stein		X	
Vice-Chairman Barlow	X		
John Adams	X		
Marilyn Cruz-Aponte	X		
Ralph Eno	X		
Jim Hayden		X	
Andy Nunn	X		
Bob Painter		X	
Scott Shanley		X	
Patricia Wildlitz	X		

VOTE ON THE RESOLUTION CONCERNING PROPOSED JULY 1 INSURANCE RENEWALS AS AMENDED

Chairman Stein requested a vote on the resolution above, the motion was originally made by Director Shanley and seconded by Director Hayden.

RESOLVED: That MIRA purchase the insurance coverage in the amount and from the carriers according to the recommended option A.1. as presented and discussed in this meeting.

RESOLVED: That MIRA purchase the engineering services in the amount and from the firms according to option B.2, as presented and discussed in this meeting.

RESOLVED: That MIRA exercise the option to finance the premium through a premium financing company according to option C. 2 as presented and discussed in the meeting

The motion previously made and seconded was approved as amended unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

RESOLUTION CONCERNING CONSOLIDATION OF MID-CONNECTICUT PROJECT RESERVE ACCOUNTS

Chairman Stein requested a motion on the resolution above. Director Shanley made the motion which was seconded by Director Hayden.

WHEREAS, the Materials Innovation and Recycling Authority (“MIRA”) currently maintains cash associated with its Mid-Connecticut Project Operating account and cash associated with its Authority Budget Operating account in one Short Term Investment Fund (“STIF”) reserve entitled the Materials Innovation and Recycling Authority reserve (“Authority Reserve”); and

WHEREAS, MIRA previously maintained cash associated with all project operating accounts within its Authority Reserve, and in practice transferred such cash and any associated liabilities into new individual STIF Reserve accounts as the projects ended or earlier; and

WHEREAS, the Mid-Connecticut Project officially ended on November 15, 2012, and several reserves were established and funded or maintained prior to the ending of the Project to complete Project related liabilities, but cash and liabilities associated with the Mid-Connecticut Project Operating account have not yet been transferred out of the Authority Reserve, which MIRA now desires to so transfer; and

WHEREAS, in addition to the Mid Connecticut Project Operating account, the Mid-Connecticut Project currently maintains segregated STIF Reserve accounts including the Risk Fund Reserve, Landfill Development Reserve, Recycling Education Reserve, Jets South Meadows Remediation Reserve, Mid-Connecticut Litigation Reserve, and Mid-Connecticut Post Project Closure Reserve to fund Project legacy liabilities; and

WHEREAS, many of these legacy liabilities have been effectively resolved but the segregated STIF Reserve accounts have funds remaining; and

WHEREAS, the Mid-Connecticut Project currently records active liabilities in the Recycling Education Reserve, Mid-Connecticut Litigation Reserve, and Mid-Connecticut Post Project Closure Reserve, for which segregated STIF Reserve accounts will be maintained; and

WHEREAS, the Authority wishes to consolidate the cash balance of its Mid Connecticut Project segregated STIF Reserve accounts that no longer have active liabilities (Risk Fund Reserve, Landfill Development Reserve, and Jets South Meadows Remediation Reserve) into the Mid-Connecticut Post Project Closure Reserve; and

WHEREAS, once the general ledger balance of cash associated with the Mid-Connecticut Project Operating Account is transferred to the Mid-Connecticut Post Project Closure Reserve, the Authority Reserve will be duplicative of the purpose of the Authority's General Fund Checking Account and therefore the Authority Reserve will be closed.

NOW THEREFORE, be it

RESOLVED: That the general ledger balance of cash associated with the Mid-Connecticut Project Operating Account, Risk Fund Reserve, Landfill Development Reserve, and Jets South Meadows Remediation Reserve be transferred to the Mid-Connecticut Post Project Closure Reserve; and

FURTHER RESOLVED: That the Mid-Connecticut Risk Fund Reserve, Landfill Development Reserve, Jets South Meadows Remediation Reserve, and the Authority Reserve be closed.

Director Shanley said this item has no bottom line impact. He said the amount of the Mid-Conn reserve will continue to be reported in the same way and this resolution is more of an accounting tool to simplify the process by which MIRA tracks spending. Chairman Stein said there are no further liabilities to the Mid-Conn towns.

Mr. Daley said this is strictly to reduce the number of Mid-Conn accounts to make the process more efficient. He said the Recycling Education Reserve, Mid-Connecticut Litigation Reserve, and Mid-Connecticut Post Project Closure Reserve will remain open.

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, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

RESOLUTION REGARDING LEGAL SPENDING FOR FY2017

Chairman Stein requested a motion on the resolution above. Director Eno made the motion which was seconded by Vice-Chairman Barlow.

WHEREAS, MIRA has negotiated three-year Legal Services Agreements with various law firms for the provision of legal services beginning July 1, 2014; and

WHEREAS, MIRA now seeks Board authorization for projected legal expenditures pursuant to said Agreements during Fiscal Year 2017;

NOW THEREFORE, it is

RESOLVED: That the following amounts be authorized for projected legal fees to be incurred during FY '17:

<u>Firm:</u>	<u>Amount:</u>
Brown Rudnick	10,000
Cohn Birnbaum & Shea	75,000
Day Pitney	20,000
Halloran & Sage	600,000
Kainen, Escalera & McHale	400,000
Pullman & Comley	25,000

Further RESOLVED: That the President be authorized to expend up to \$85,000 from the Mid-Connecticut Project Closure Reserve for payment of legal fees incurred in fiscal year 2017 in connection with continuing Mid-Connecticut Project obligations; and

Further RESOLVED: That the President be authorized to expend up to \$50,000 from the Southeast Project Closure Reserve for payment of legal fees incurred in fiscal year 2017 in connection with remaining Southeast Project matters; and

Further RESOLVED: That \$300,000 be transferred from the Mid-Connecticut Project Closure Reserve to the Mid-Connecticut Project Litigation Reserve; and

Further RESOLVED: That the President be authorized to expend up to \$725,000 from the Mid-Connecticut Litigation Reserve for payment of Mid-Connecticut Project litigation-related legal fees and expenses incurred in fiscal year 2017.

Mr. Kirk said this resolution is for legal spending as was contained in the budget. Ms. Hunt said the vast majority of the funds are coming from reserves.

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, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

PRESIDENT'S REPORT

Mr. Kirk said there were no environmental, safety or health impact incidents during the reporting period. Mr. Kirk said the plant continues to perform very well and 95% of the budget target for production was met. He said the price for power continues to be very low and this, combined with low metal prices and a lower than budgeted spot market delivery rate have combined to have MIRA operating \$880,000 below budgeted revenues.

Mr. Kirk said the price of power is extraordinarily low and the daily price has been as low as 2 cents a kilowatt, down from historic lows of 8 cents a kilowatt. He said the drop in wholesale power prices is driven by natural gas prices

Mr. Kirk said solid waste deliveries are on or near budget and came in 2% below target for the month and is associated with unplanned outages and condenser cleanings which were more than anticipated. He said recycling revenues were below budget for the month and deliveries of recyclables are healthy however commodity pricing is low.

Mr. Kirk said MIRA personnel continue to support the CT DEEP RFP process for the new regime of waste disposal across the state. He said the bids are being evaluated and recommendations for three competitors are expected to be done by July.

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation. The motion was made by Director Adams 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
Virginia Raymond

The Executive Session began at 10:15 a.m. and concluded at 11:45 a.m. Chairman Stein noted that no votes were taken in Executive Session.

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, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

The meeting was reconvened at 11:45 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.

ADJOURNMENT

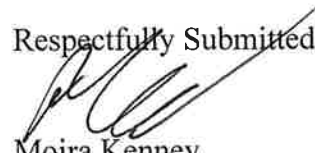
Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Adams seconded by Director Painter and was approved unanimously

The motion to adjourn was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Cruz-Aponte, Director Eno, Director Hayden, Director Nunn, Director Painter, Director Shanley and Director Wildlitz 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		
Andy Nunn	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Wildlitz	X		

There being no other business to discuss, the meeting adjourned at 11:45 p.m.

Respectfully Submitted,



Moira Kenney

Assistant HR Manager/Board Administrator

TAB 2

**RESOLUTION REGARDING POWER PRODUCTS MANAGEMENT SERVICES
AGREEMENT FOR SOUTH MEADOWS RESOURCE RECOVERY FACILITY AND
SOUTH MEADOWS JET TURBINE FACILITY**

WHEREAS, MIRA owns and operates the South Meadows Resource Recovery Facility (“Facility”) and Jet Turbine Facility (“JTF”) for the generation of certain power products including energy (“Products”); and

WHEREAS, MIRA requires the services of a qualified firm to perform on MIRA’s behalf the duties and responsibilities required of a Lead Market Participant (“LMP”) and Generation Asset Owner in the ISO-New England (“ISO-NE”) bulk electric power generation and transmission system including the scheduling, bidding and marketing of all Products into ISO-New England’s Energy, Capacity and Reserve markets and auctions as directed by MIRA; and

WHEREAS, in order to provide budget certainty and financial stability challenged by volatile wholesale energy markets, MIRA has historically sought to enter fixed price energy contracts for all or a portion of the Facility net energy generation; and

WHEREAS, in seeking to enter such fixed price energy contracts MIRA has historically pre-qualified potential third party purchasers of energy and set in advance the date and time that MIRA will receive fixed price bids from such potential purchasers; and

WHEREAS, in its last several bid processes MIRA has experienced less than optimal results which are attributed to forward energy market movements occurring during the timeline associated with its prior prequalification and bid practice; and

WHEREAS, MIRA further desires to establish a process that will allow it to move competitively, quickly and efficiently into forward energy markets at the times when forward fixed prices are considered optimal and supportive of the need to provide budget certainty and financial stability (“Flexible Hedging Program”); and

WHEREAS, MIRA has undertaken the “Competitive Process” required under its Procurement Policies and Procedures and has negotiated a contractual structure with NextEra Energy Power Marketing, LLC (“NEPM”) that will provide for the required LMP and Generation Asset Owner services and additionally allow NEPM to implement a Flexible Hedging Program as directed by MIRA.

THEREFORE, BE IT RESOLVED, that the President is hereby authorized to execute an agreement with NextEra Energy Power Marketing, LLC for the provision of power products management services for the Facility and JTF including LMP, Generation Asset Owner and Flexible Hedging Program services substantially as presented and discussed at this meeting.

FURTHER RESOLVED: That under the Flexible Hedging Program the President or his designee (which designee shall be limited to the Chief Financial Officer, Director of Operations, Director of Legal Services and Operations Manager), is hereby authorized to commit to sell to

NextEra Energy Power Marketing, LLC, up to 40 MW of electric energy from the Facility at any one time during the term of the agreement, in one or more tranches of 5 MW or more, for defined delivery periods and for a blended rate of not less than \$0.03/KWh, consistent with energy pricing strategies reviewed each month with MIRA's Policies and Procurement Committee, and the President is hereby authorized to execute one or more Transaction Letters in connection therewith.

Agreement Summary
Power Products Management Services Agreement

Presented to Board of Directors	June 23, 2016
Facilities	South Meadows Resource Recovery Facility (“Facility”) and Jet Turbine Facility (“JTF”)
Recommended Contractor	NextEra Energy Marketing Services, LLC
Commencement Date	July 1, 2016
Base Term	Three (3) years base term through June 30, 2019.
Term Extensions	<p>Three successive one (1) year Extension periods with each Extension exercisable at MIRA’s sole discretion.</p> <ul style="list-style-type: none"> • First Extension: July 1, 2019 - June 30, 2020 • Second Extension: July 1, 2020 - June 30, 2021 • Third Extension: July 1, 2021 - June 30, 2022.
Scope of Services	<p>Services to be provided include:</p> <ul style="list-style-type: none"> • The scheduling, bidding, and marketing of the energy, capacity, reserve and CT Class II Renewable Energy Certificates associated with the Facility and JTF as applicable. • The purchase, as directed by MIRA, of some or all of the net electricity output of the Facility generation assets 5 and 6.
Compensation for LMP and generation Asset Owner Services	<p>For all three years of the base term of the Agreement the annual LMP services compensation is \$240,000 paid in 12 equal monthly amounts of \$20,000 (there is no annual escalation factor during the three-year base Term of the Agreement) .</p> <p>If MIRA elects to exercise its right to extend the Agreement for one or more Extension years, the annual LMP services compensation is \$258,000 paid in 12 equal monthly amounts of \$21,500 (there is no annual escalation factor over the course of the three year Extension periods).</p>
Compensation for Flexible Hedge Program Services	Under this program NextEra assumes the risk of converting MIRA’s “Unit Contingent” energy into “Firm Power” to be sold into forward energy

	<p>markets at fixed prices as directed by MIRA. NextEra's compensation, if any, is primarily a factor of MIRA's ability to deliver hedged energy, the cost to NextEra to replace that energy when MIRA fails to deliver and the agreed upon "Risk Adjustment" set with each sale of power. NextEra will also assume the risk of being paid the South Meadows locational marginal price but selling forward energy as traded on the "Mass Hub". NextEra's additional compensation, if any, would be a factor of actual price spreads versus the fixed "South Meadows Basis to Mass Hub Adjustment" also set with each sale of power. NextEra also may sell smaller block amounts of energy to third parties than the block amounts it purchases from MIRA and takes the risk of doing so.</p>
Budget Status	<p>Monies have been appropriated in the FY17 budget to cover the LMP services compensation. Monies for future contract years will be budgeted accordingly.</p>

EXECUTIVE SUMMARY

MIRA's current agreements for Lead Market Participant Services for the Facility and JTF and the Power Purchase Agreement for the sale of a portion of the net electricity output of the Facility generation assets 5 and 6 all terminate on June 30, 2016. On March 22, 2016 MIRA issued a Request for Qualifications and Proposals ("RFQP"), with a response deadline date of April 22, 2016.

Based upon MIRA's review of the proposal received as summarized in this document, the discussion and information received during interviews with the proposer, and the clarifying information received thereafter, MIRA management recommends the Power Products Management Services Agreement be awarded to NextEra Energy Marketing Services, LLC.

BACKGROUND

MIRA's core business is the management of municipal solid waste ("MSW") and recyclable materials. Roughly seventy-five percent (75%) of the revenue needed to fund the costs of MIRA's waste-to-energy operations is derived from tip fees (i.e. disposal fees) assessed on each ton of MSW delivered by MIRA's customers to the Facility. The sale of the electricity generated at the Facility, net of station service, represents roughly twenty-five to thirty percent (25-30%) of MIRA's revenue and helps to offset the MSW disposal tip fees charged by MIRA to its customers (i.e. higher power prices equates to lower tip fees).

Over the years, MIRA has conducted competitive auctions for the sale of some or all of the net electrical output (net of station service) of units 5 and 6: the two steam turbines located at the Facility. These auctions have yielded mixed results for a couple of reasons:

1. MIRA is subject to extensive procurement requirements that take significant time to satisfy; and
2. MIRA is required by contract to provide its MSW customers four-months advance notice (by the end of February each year) as to what the up-coming fiscal year tip fees will be. Accordingly, MIRA needs to have an understanding of what the projected/expected power revenues are going to be in order to calculate its annual tip fees. Historically, MIRA's auctions have been conducted no later than January for the fiscal year commencing the following July 1.

Both of the above requirements, while important and necessary, impact MIRA's ability to timely align the sale of electricity with favorable market conditions i.e. when natural gas prices are trending upward. Wholesale electricity prices in the ISO-NE control area are closely tied to the price of natural gas because approximately half of the electricity generated is produced by assets that are fueled by natural gas. Consequently, if MIRA's electricity auction happens to occur when natural gas future prices are trending higher, then MIRA will receive higher bids for its electricity. Conversely, if MIRA's electricity auction occurs when natural gas future prices are trending lower, then MIRA receives lower bids for its electricity.

MIRA's goal for this procurement was to design an electricity sales platform that would:

1. Provide the flexibility needed to align electricity sales with improving or positive market conditions;
2. Result in fixed rate contracts that provide MIRA greater budgeting certainty; and
3. Employ a process that is competitive and transparent.

DISCUSSION

In April, 2012 MIRA entered into an Energy Management Services Agreement ("EMS") with NextEra Energy Power Marketing, LLC, ("Manager") for the provision of energy management services whereby the Manager performs on MIRA's behalf the administrative functions, duties and services required of a Lead Market Participant ("LMP") in the ISO-New England, Inc. ("ISO-NE") market for the JTF generation assets 11, 12, 13, and 14. In May, 2013 the EMS was amended to include the provision of LMP services for the Facility generation assets 5 and 6. The Energy Management Services Agreement ("EMS") terminates on June 30, 2016 unless otherwise extended for one additional fiscal year (July 1, 2016 - June 30, 2017) as provided for in the EMS Agreement.

MIRA has a separate Power Purchase Agreement ("PPA") dated December 9, 2014 whereby the Purchaser buys at a fixed rate the first 20 MWhs of net electricity generated at the Facility. The remaining net generation above the first 20 MWh is sold on the ISO-NE wholesale day-ahead/real-time "spot market". The PPA also terminates on June 30, 2016 with no provisions for extensions.

With the approaching expiration of the EMS and PPA agreements, MIRA issued a Request for Qualifications and Proposals ("RFQP") dated March 22, 2016. The RFQP sought "expanded" LMP services whereby the selected Manager would provide LMP services for the Facility and JTF and provide MIRA with a platform to sell the Facility's net electricity output. The deadline for the submission of Statements of Qualifications and Proposals ("SOQP") was April 22, 2016. MIRA received one SOQP. The Proposer was NextEra Energy Power Marketing, LLC ("NEPM"); the incumbent Manager.

As part of its SOQP submittal NEPM proposed what it calls a "*Flexible Energy Hedging Plan*". Under the plan MIRA will have the ability to sell to NEPM varying increments (tranches) of electricity, on a rolling delivery period basis over the Term of the Agreement at fixed contractual rates, at times when it appears market conditions are favorable, and at prices rooted in competitively established counterparty transactions. Net generation in excess of any hedged quantities would continue to be offered into the hourly ISO-NE wholesale day-ahead/real-time spot market (spot market does not provide revenue certainty).

NEPM's Flexible Energy Hedging services are designed i) to keep MIRA informed as to the status and trends in the forward energy markets so that MIRA will know when advantageous fixed prices are available and ii) to provide the competitive market mechanics necessary to secure advantageous fixed prices as directed by MIRA.

Forward Market Status and Trends

NEPM is one of the major players in the ISO-NE power market and provides significant liquidity to that market. As such NEPM necessarily has access to timely and thorough market information, and regularly develops market price curves to assist in determining the fair market value of various energy products. NEPM will assist MIRA in determining the fair market value of its electricity at any given point in time by providing MIRA with forward market price curves and other market metrics. NEPM's forward market price curves are developed by its "front office" (traders) and validated by NEPM's Risk department through various checks and balances; primarily from comparisons with curves published by exchanges, brokers, and independent price verification companies.

NEPM's market transactions, for the most part, are "marked-to-market" at the end of each business day. "Mark-to-market" accounting refers to accounting for the "fair value" of an asset or liability based on the current market price. Fair value accounting has been a part of Generally Accepted Accounting Principles (GAAP) in the United States since the early 1990s, and is now regarded as the "gold standard" in some circles. The critical component of the "mark-to-market" process is the market price curve which transactions are evaluated against for various purposes: to determine market risk exposure (earnings), credit exposure, liquidity risk, etc. It is, therefore, paramount to NEPM that the market price curves reflect the fair market value of the relevant product; in MIRA's case its electricity.

NEPM's market price curves will be compared to updates of market price curves (settlements) published by Chicago Mercantile Exchange (CME) for the following contracts:

- ISO New England Mass Hub Day-Ahead Peak Calendar-Month 2.5 MW Futures Quotes; and
- ISO New England Mass Hub Day-Ahead Off-Peak Calendar-Month 5 MW Futures Quotes

MIRA will have direct access to both NEPM's internal expertise and actual trading data from the CME for the purpose of ascertaining if and when it would be advantageous for MIRA to request that NEPM obtain actual live bid prices for a specific quantity and delivery period for MIRA energy.

Competitive Market Mechanics

Under the hedging plan MIRA's fixed rate power price will be comprised of three components as follows:

1. Internal Hub Price (also known as the Mass Hub price node). The Internal Hub is a widely traded and transparent location and represents about 90% of the fixed electricity rate MIRA will lock in.

2. Basis which is the difference between Internal Hub price node and the South Meadows generator bus-bar or Locational Marginal Price node (South Meadows nodes 580 and 581).
3. Unit Contingent Discount (“UC Discount”) which represents generation assets 5 and 6 operational price risk associated with forced outages and de-rates at the plant. The UC Discount represents the Manager’s fee for assuming the operational risk associated with generation assets 5 and 6. Therefore:

$$\text{MIRA's MWh fixed energy rate} = \text{Internal Hub Price} \pm \text{Bus Bar Basis} - \text{UC Discount}$$

When MIRA believes forward energy prices may be advantageous, it may request that NEPM provide formal quotes for a specific amount of energy and delivery period provided its request is made no later than five days before the start of the delivery period. NEPM will provide quotes for all three elements of the fixed price. Since Basis and UC Discount are the risk adjustment factors NEPM will absorb, it will develop those quotes internally. NEPM will develop its quotes for Basis Risk based on the relevant historic and forecast market prices at the Mass Hub versus the South Meadows Asset Nodes 580 and 581 and it will develop its quotes for UC Discount based on its own internal risk management analytics considering historic and forecast Facility performance, market prices and volatility. MIRA may use its independent energy consultant (DayMark) to opine on these and other quotes provided by NEPM. The Mass Hub Price is the component that NEPM will bid and quote on MIRA’s behalf through the Intercontinental Exchange, Inc. (ICE). NEPM will obtain bid prices from ICE counterparties or bilateral counterparties for the amount and delivery period MIRA desires and convey such pricing information back to MIRA recognizing any confidentiality restrictions imposed by the back-to-back hedge counterparties. Based on these initial quotes and other considerations MIRA will establish a minimum fixed price for the desired amount of energy and delivery period at which time NEPM will use commercially reasonable efforts to enter into back-to-back counterparty transactions to meet or exceed MIRA’s minimum price order. MIRA may cancel or revise its order at any time prior to consummation. If and when NEPM does consummate an order it will notify MIRA by e-mail at which point MIRA is bound to the transaction. A formal Transaction Letter is to be executed by the parties within three business days of the e-mail notice. This process continues in minimum increments of five (5) MW, establishing fixed prices for minimum periods of twelve (12) months. An order of priority for delivery of MIRA’s unit contingent energy (or stacking) is established based on the date of each transaction.

FINANCIAL SETTLEMENTS

Revenue associated with MIRA’s power products (i.e. forward and reserve capacity, electricity, VARS, etc., will be settled on a weekly basis.

MIRA Rights Reserved

It should be noted that MIRA has not granted any exclusive right to NEPM to purchase energy generated by the Facility. MIRA has specifically reserved its right to conduct its own energy auction independent of this agreement for any reason including if it is not comfortable with any

quoted price component. MIRA has also reserved its right to participate in any State of Connecticut energy procurement process conducted by the State or any of its municipalities, agencies or political subdivisions and NEPM will cooperate in fulfilling such role as may be necessary for MIRA's participation.

CONCLUSION

The Benefits to MIRA of the proposed Flexible Hedging Program include:

- Ability to have standby power sales contracts whereby MIRA can, in its sole and absolute discretion, expeditiously sell varying increments (tranches) of generation output;
- Access, through the Manager, to the Chicago Mercantile Exchange ("CME") Settlement Information in order to obtain, upon request, indicative electricity settlement data based on the then-current forward curves published by CME.
- Access, through the Manager, to the Intercontinental Exchange's ("ICE") MASS Hub New England region electricity pricing hub;
- The transfer, for a fee, of the unit contingent operating risk associated with the South Meadows generation assets 5 and 6, thus converting MIRA's UC power into firm power which Manager can in turn sell as firm power; and
- Increased transparency because all components that comprise an electricity MWh fixed price will be known.

FINANCIAL CONSIDERATIONS

The \$240,000 annual compensation for the LMP services associated with the power products management services for the Facility and the JTF is contained in the FY2017 annual CSWS and Property Division budgets.

TAB 3

**DRAFT RESOLUTION REGARDING 3-YEAR AGREEMENT
FOR 401(k) PLAN SERVICES.**

RESOLVED: That the President is hereby authorized to execute an agreement with the following firm for 401(k) Plan Services, substantially as presented and discussed at this meeting:

- Hooker and Holcombe Investment Advisors, Inc.

Materials Innovation and Recycling Authority

Agreement Summary

401(k) Plan Services

Presented to the MIRA Board on:	June 23, 2016
Vendor/Contractor(s):	Hooker & Holcombe Investment Advisors, Inc.
Effective Date:	July 1, 2016
Contract Type/Subject Matter:	401(k) Plan Services
Facility(ies) Affected:	Not Applicable
Contract Dollar Value:	All costs are based on the hourly charges to complete the Services, as presented herein. Although during the last 3-year period, MIRA's total expenditures for these services to date were less than \$31,000, there is the potential that total expenditures related to this contract could exceed \$50,000. As such, this is being brought to the Board in an abundance of caution to ensure compliance with Sec. 8 of Section 22a-265 of the Connecticut General Statutes.
Term:	Through June 30, 2019
Amendment(s):	Not applicable
Term Extensions:	Not applicable
Scope of Work:	Consultant services are intended to fulfill all of MIRA's due diligence requirements for oversight of its 401(k) plan investment options. The Consultant shall provide quarterly analyses of the financial performance of MIRA's 401(k) Plan's investment options, in coordination with MIRA's 401(k) Committee, including on-going recommendations for keeping MIRA's 401(k) Plan up to date. Consultant also provides MIRA employees with annual education sessions.
Termination:	May be terminated by MIRA upon at least thirty (30) days advance written notice.

Materials Innovation and Recycling Authority

Agreement Summary

401(k) Plan Services

Board of Directors

June 23, 2016

Executive Summary

This is to request that the Board of Directors authorize the President to enter into an agreement with the following firm for 401(k) Plan Services, substantially as presented and discussed at this meeting:

- Hooker and Holcombe Investment Advisors, Inc.

Discussion

According to section 5.3.5 of MIRA's Procurement Policies and Procedures, MIRA solicits proposals at least once every three years for professional services, including financial advisory services.

The current agreement for 401(k) Plan Services expires on June 30, 2016.

MIRA issued a Request for Proposals (RFP) for 401(k) Plan Services on April 5, 2016.

Via this RFP, MIRA sought to engage a Consultant to provide quarterly analyses of the financial performance of MIRA's 401(k) Plan's investment options including on-going recommendations for keeping MIRA's 401(k) Plan up to date. Consultant shall also provide MIRA employees with annual education sessions.

Consultant services are intended to fulfill all of MIRA's due diligence requirements for oversight of its 401(k) plan investment options including, but not limited to:

- Review of general economic conditions affecting relevant members
- Performance of funds included in MIRA's 401(k) plan in comparison to relevant benchmarks and similar funds
- Recommendation and alerts concerning funds that should be removed from or added to MIRA's 401(k) Plan investment options.

At its discretion, MIRA may require that prior to undertaking work on a specific task, Consultant and an Authorized Representative mutually agree in writing upon a detailed Scope of Services required for such task, together with an estimate of the time, cost, and expenses for such Services. Any such future work would be procured through an RFS, and any RFS for more than \$50,000 per fiscal year would require prior approval by the MIRA Board of Directors.

Overview of RFP

MIRA issued a Request for Proposals (RFP) for 401(k) Plan Services on April 5, 2016.

The availability of the RFP was advertised on the Department of Administrative Services State Contracting Portal website and on the MIRA website.

In addition:

- A notice regarding the availability of the RFP was sent to firms who submitted a notice of interest form 3 years ago when the authority last issued an RFP for these services.
- A classified notice regarding the availability of the RFP was advertised in the following Connecticut newspapers:
 - Hartford Courant
 - La Voz Hispana
 - Northeast Minority News.

Responses to the RFP for 401(k) Plan Services were due by May 5, 2016 MIRA received proposals from two (2) firms:

- Hooker and Holcombe Investment Advisors, Inc. (“HHIA”)
- Portfolio Evaluations, Inc. (“PEI”)

Evaluation of Proposals

MIRA’s President identified Deepa Krishna, MIRA’s Manager of Accounting and Financial Reporting; and Chris Shepard, MIRA’s Environmental Compliance Manager (who is a member of MIRA’s 401(k) Committee); assisted by Roger Guzowski, MIRA’s Contract and Procurement Manager (collectively the “Evaluation Team”) to evaluate the Proposals that were received.

Comparison of hourly billing rates

HHIA proposed a variable billing rate structure for each member of their team, ranging in FY17 from \$185/hour to \$461/hour. These hourly rates escalate approximately 3% each year during the subsequent years in the contract Term.

PEI proposed a uniform billing rate structure of \$385/hour for all members of their team with no escalation during the subsequent years in the contract Term.

To compare these disparate proposal structures, the Evaluation Team looked back at the invoices from HHIA who provided these services to MIRA in fiscal year 2016. Over the first three quarters of FY2016, HHIA invoices totaled \$8,237.00 and included 23 billing hours, for an average hourly billing rate of \$358.13.

Table 1: Comparison of billing rates

Proposer	FY16 average rate (baseline)	RFP FY17 Rate (HHIA FY17 rates 3% higher than FY16)	RFP FY18 Rate (HHIA FY17 rates 6% higher than FY16)	RFP FY19 Rate (HHIA FY17 rates 9% higher than FY16)
HHIA	\$358.13	\$368.87	\$379.62	\$390.36
PEI	NA	\$385.00	\$385.00	\$385.00

Other considerations:

In addition to price considerations above, the Evaluation Team noted the following other considerations between the proposers, which otherwise had similar qualifications:

- Proximity and participation: HHIA is located in West Hartford, CT, a 45 – 60 minute roundtrip to and from MIRA's Headquarters. PEI is located in Warren NJ, a greater than 5 hour roundtrip to and from MIRA's Headquarters. That 4+ hour difference in travel time could manifest itself in different service costs (if even one staff person bills the full 4 hours for a round trip, it would double the time that staff person typically bills for a quarterly meeting). The PEI travel time could also manifest itself in a decrease in service if face-to-face meetings had to become telephonic to offset the travel time, or were disrupted due to travel delays.
- Education sessions: A portion of the Scope of Service associated with this Agreement is the annual informational sessions to be provided to MIRA staff. PEI in their proposal submitted a copy of their Form ADV which indicates that they do not provide educational seminars/workshops.
- References: HHIA was significantly more responsive in providing references in their proposal.

After reviewing the proposals The Evaluation Team recommends Hooker and Holcombe Investment Advisors, Inc. to provide 401(k) Plan Services for MIRA.

Financial Summary

MIRA is billed on an hourly basis by the Consultant for the Services specified in the scope of services. These services are undertaken in coordination with MIRA's 401(k) Committee.

During the last 3-year period, MIRA's total expenditures for these services to date were less than \$31,000 (at this time MIRA has not yet received the quarterly invoice for the last quarter of FY2016).

At its discretion, MIRA may require that prior to undertaking work on a specific task, Consultant and an Authorized Representative mutually agree in writing upon a detailed Scope of Services required for such task, together with an estimate of the time, cost, and expenses for such Services. Any such future work would be procured through an RFS, and any RFS for more than \$50,000 per fiscal year would require prior approval by the MIRA Board of Directors.

TAB 4

**RESOLUTION REGARDING RECYCLING FACILITY PERFORMANCE AND
FISCAL YEAR 2016 RECYCLING REBATE STATUS**

WHEREAS, on February 19, 2015 this Board of Directors adopted the CSWS Fiscal Year 2016 budget which included a \$10 per ton rebated for each ton of recycling delivered to a CSWS facility by participating municipalities; and

WHEREAS, Fiscal Year 2016 recycling revenues for the period through November 2015 were not sufficient to support a \$10 per ton rebate for delivered recyclables; and

WHEREAS, on December 17, 2015 this Board of Directors revised the adopted CSWS Fiscal Year 2016 budget which included a recycling rebate reduction to \$5 per ton rebated for each ton of recycling delivered to a CSWS facility by participating municipalities; and

WHEREAS, recycling revenues have continued to decline and are currently not sufficient to support a per ton rebate for delivered recyclables; and

WHEREAS, based on previous Board direction, MIRA has accrued expenses to distribute a rebate to participating municipalities equivalent to \$5 per ton for each ton of recycling delivered to a CSWS facility.

NOW THEREFORE, be it

RESOLVED: that based on Fiscal Year 2016 recycling revenues, a recycling delivery rebate will not be accrued; and

FURTHER RESOLVED: that this Board of Director's will make a final decision about a Fiscal Year 2016 recycling rebate at its September 15, 2016 regular Board meeting after MIRA's audit has been accepted.

MIRA - CONNECTICUT SOLID WASTE SYSTEM (CSWS)**RECYCLING FACILITY**

Account	Description	Through April			Projected YE		
		Budget	Actual	Variance	Budget	Projected	Variance
REVENUES	Recycling Sales	\$ 1,025,206	\$ 878,239	\$ (146,967)	\$ 1,234,316	\$ 1,053,887	\$ (180,429)
RECYCLING FACILITY EXPENDITURE DETAIL							
49-001-506-52115	Legal Notices	\$ 420	\$ -	\$ 420	\$ 500	\$ -	\$ 500
49-001-506-52305	Bus. Meetings & Travel	\$ 420	\$ -	\$ 420	\$ 500	\$ -	\$ 500
49-001-506-52355	Mileage Reimbursement	\$ 420	\$ -	\$ 420	\$ 500	\$ -	\$ 500
49-001-506-52404	Building Operations	\$ -	\$ 346	\$ (346)	\$ -	\$ 346	\$ (346)
49-001-506-52407	Project Equipment Maintenance	\$ 21,250	\$ 12,763	\$ 8,487	\$ 25,500	\$ 17,500	\$ 8,000
49-001-506-52502	Fees/Licenses/Permits	\$ 3,540	\$ 3,250	\$ 290	\$ 4,250	\$ 4,250	\$ -
49-001-506-52620	\$5/Ton Amended Recycling Delivery Rebate	\$ 201,330	\$ 196,372	\$ 4,958	\$ 200,000	\$ 235,646	\$ (35,646)
49-001-506-52701	Contract Operating Charges	\$ 830	\$ -	\$ 830	\$ 1,000	\$ -	\$ 1,000
49-001-506-52707	Transportation Expense	\$ 388,270	\$ 389,914	\$ (1,644)	\$ 465,920	\$ 467,897	\$ (1,977)
49-001-506-52858	Engineering Consultants	\$ 19,170	\$ 6,512	\$ 12,658	\$ 23,000	\$ 14,200	\$ 8,800
49-001-506-52901	Environmental Testing	\$ 4,170	\$ 1,717	\$ 2,453	\$ 5,000	\$ 4,700	\$ 300
	Subtotal	\$ 639,820	\$ 610,874	\$ 28,946	\$ 726,170	\$ 744,539	\$ (18,369)

EXPENDITURE DETAIL (OTHER RELATED OPERATING)

49-001-506-xxxxx	Direct Salaries/Labor & Benefits- Operational ¹	\$ 233,298	\$ 235,465	\$ (2,168)	\$ 279,957	\$ 282,558	\$ (2,601)
49-001-501-59105	CSWS Share of Murphy Rd Operations Center	\$ 106,080	\$ 106,082	\$ (2)	\$ 127,300	\$ 127,300	\$ -
49-001-506-57871	Indirect Labor & Overhead - Administration ²	\$ 141,454	\$ 125,767	\$ 15,687	\$ 169,745	\$ 150,920	\$ 18,824
	Subtotal	\$ 480,832	\$ 467,314	\$ 13,518	\$ 577,002	\$ 560,778	\$ 16,223
	Total Projected Expenditures	\$ 1,120,652	\$ 1,078,188	\$ 42,464	\$ 1,303,172	\$ 1,305,318	\$ (2,146)
	BALANCE	\$ (95,446)	\$ (199,949)	\$ (189,431)	\$ (68,856)	\$ (251,431)	\$ (178,283)
	Town Tonnage		39,334			47,201	
	Rebate Under/(Over) Accrued	\$	(5.08)		\$	(5.33)	
	Net Potential Rebate	\$	(0.08)		\$	(0.33)	

¹ All direct salaries are expensed through the CSWS "Operational Expenses" account, however salaries are allocated and tracked separately between the RRF and recycling facility. Total FTE's allocated to the recycling facility is 5 people.

² All of the indirect charges are budgeted and expensed through the CSWS "Administrative Expense" account. For the purpose of demonstrating the amount of expense attributable to the recycling operations, the standard indirect expense allocation matrix for FY16 was used. This matrix includes delivered tonnage, revenues, assets, and allocated full time equivalents. The recycling facility's share of CSWS administrative expenses equate to 5.46%.