

**MIRA**  
**REGULAR BOARD MEETING**  
**June 22, 2017**

## **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 15, 2017

**RE:** Notice of Regular Board Meeting

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There will be a Regular Meeting of the Materials Innovation and Recycling Authority Board of Directors on Thurs. June 22, 2017, 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.

Materials Innovation and Recycling Authority  
Regular Board of Directors Meeting  
June 22, 2017  
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 25, 2017 Board Meeting Minutes (**Attachment 1**).

IV. Policies & Procurement Committee Report

2. Board Action will be sought for the Resolution Regarding Agreement for Interruptible Contract Waste (**Attachment 2**).
3. Board Action will be sought for the Resolution Regarding Purchase of Discrete Emission Reduction Credits (**Attachment 3**).
4. Board Action will be sought for the Resolution Regarding Payment of Projected Additional Legal Expenditures (**Attachment 4**).

V. Finance Committee Report

5. Discussion of Recycling Facility Financial Performance (**Attachment 5**).
6. Discussion of Resolution Authorizing Distribution of Certain Funds From The Southeast Project Closure Reserve To The Southeastern Regional Resource Recovery Authority (**Attachment 6**).

VI. 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, pending RFP responses, real estate matters, and feasibility estimates and evaluations including Strategic Plan updates.

# ***Tab 1***

**MATERIALS INNOVATION AND RECYCLING AUTHORITY**

**FOUR HUNDRED AND SIXTY-NINTH**

**MAY 25, 2017**

A regular meeting of the Materials Innovation and Recycling Authority Board of Directors was held on Thurs. May 25, 2017, in the Board Room at Rocky Hill, CT 06067. Those present were:

Directors:     Chairman Don Stein  
                  Vice-Chairman Dick Barlow  
                  John Adams  
                  Ralph Eno  
                  Jim Hayden  
                  Bob Painter  
                  Scott Shanley  
                  Patricia Widlitz

Present from MIRA:

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

Others Present: Luke Bronin, Mayor of Hartford, Ann Catino, Esq., Halloran & Sage

Chairman Stein called the meeting to order at 9:34 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.

Luke Bronin, Mayor of Hartford, CT, addressed the Board and management. He asked that the Board consider a larger compensation to the City of Hartford for their host community responsibilities. Mr. Bronin also asked that MIRA consider providing the City of Hartford with a shorter contract. Management and the Board agreed to discuss Mr. Bronin's requests at further meetings where a more in depth conversation can be held.

**APPROVAL OF THE REGULAR APRIL 20, 2017, BOARD MEETING MINUTES**

Chairman Stein requested a motion to approve the minutes of the regular Apr. 20, 2017, Board Meeting. Director Shanley made the motion which was seconded by Director Widlitz,

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Jim Hayden	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	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. Director Adams made the motion which was seconded by Director Painter.

**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 noted that this is a routine matter which was discussed at the Policies & Procurement Committee meeting.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION REGARDING THE PURCHASE OF JET FUEL FOR THE SOUTH MEADOWS JET TURBINE FACILITY**

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

**RESOLVED:** That the President is hereby authorized to execute a purchase order with Dime Oil Company, LLC for purchase of Ultra Low Sulfur No. 1 Diesel Fuel to support operation of the South Meadows Jet Turbine Facility, substantially as presented and discussed at this meeting.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION REGARDING TRANSFER STATION HOST COMMUNITY AGREEMENTS WITH THE CITY OF TORRINGTON AND THE TOWN OF WATERTOWN**

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

**RESOLVED:** That the President of MIRA is authorized to execute an amendment to the Transfer Station Host Community Agreement with the City of Torrington, Connecticut, substantially as presented and discussed at this meeting.

**FURTHER RESOLVED:** That the President of MIRA is authorized to execute an amendment to the Transfer Station Host Community Agreement with the Town of Watertown, Connecticut, substantially as presented and discussed at this meeting.

Mr. Kirk noted as a point of clarification that the reason Essex is not included is because their similar host community agreement was previously approved in a longer term contract.

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

Directors	Aye	Nay	Abstain
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Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION REGARDING COMPUTER INFORMATION CONSULTING SERVICES**

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 execute an agreement for computer information consulting services with JKS Systems for the period from July 1, 2017 through June 30, 2020, substantially as presented and discussed at this meeting

Mr. Kirk said MIRA had recently gone out to bid for computer information consulting services. He said MIRA has one computer technician on staff and there are important needs such as round the clock back-up and maintenance of the scale system which must be met. He said the recommended consulting service, JKS Systems, is offering a substantial savings in hourly rates compared to the current service. Mr. Kirk assured the Board that management has thoroughly investigated JKS's qualifications and determined they have the capabilities which MIRA is seeking in addition to providing a large relative savings to MIRA.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION REGARDING FY 2018 PROJECTED LEGAL EXPENDITURES**

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

**WHEREAS**, MIRA has negotiated three-year Legal Services Agreements with various law firms for the provision of legal services beginning July 1, 2017; and

**WHEREAS**, MIRA now seeks Board authorization for projected legal expenditures pursuant to said Agreements during Fiscal Year 2018; and

**WHEREAS**, The Board of Directors has approved Fiscal Year 2018 budgeted legal expenditures in the Authority Budget operating account, the CSWS operating account, and the Property Division operating account; and

**WHEREAS**, Funding is requested at this time from Southeast and Mid-Connecticut reserves not approved through the budget process;

**NOW THEREFORE, it is**

**RESOLVED:** That the following amounts be authorized for projected legal fees to be incurred during FY '18:

<b><u>Firm:</u></b>	<b><u>Amount:</u></b>
Cohn Birnbaum & Shea	45,000
Day Pitney	25,000
Halloran & Sage	400,000
Kainen, Escalera & McHale	150,000

**Further RESOLVED:** That the President be authorized to expend up to \$25,000 from the Mid-Connecticut Post Project Closure Reserve for payment of legal fees incurred in fiscal year 2018 in connection with continuing Mid-Connecticut Project obligations; and

**Further RESOLVED:** That the President be authorized to expend up to \$15,000 from the Southeast Project Closure Reserve for payment of legal fees incurred in fiscal year 2018 in connection with remaining Southeast Project matters; and

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

**Further RESOLVED:** That the President be authorized to expend up to \$300,000 from the Mid-Connecticut Litigation Reserve for payment of Mid-Connecticut Project litigation-related legal fees and expenses incurred in fiscal year 2018; and

**Further RESOLVED:** That Management shall report the legal expenditures monthly on an accrual basis reconciled to the Authority's general ledger.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	<b>X</b>		
Vice-Chairman Barlow	<b>X</b>		
John Adams	<b>X</b>		
Jim Hayden	<b>X</b>		
Ralph Eno	<b>X</b>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Patricia Widlitz	<b>X</b>		

**RESOLUTION REGARDING A FACILITY CONDITION ASSESSMENT OF THE CSWS RESOURCE RECOVERY FACILITY**

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

**RESOLVED:** That the Board of Directors authorizes the President to execute a Request for Services with HDR Engineering, Inc. to undertake a Facility Condition Assessment of the CSWS Resource Recovery Facility, substantially as discussed and presented at this meeting.

Mr. Kirk said this resolution is for HDR Engineering Inc. to do a study at the CSWS facility to evaluate the facility condition and develop estimated investment costs necessary to upgrade the facility. He said this resolution and the following Arcadis resolution address MIRA's need to understand possible options and capabilities prior to the result of the CT DEEP RFP process. He said the HDR and Arcadis U.S. Inc. (both existing members of MIRA's stable) resolutions are to perform a scope of work that MIRA devised to 1) evaluate the condition of the plant and to determine the process necessary to renovate the plant back into a reliable condition under two different time frames, a ten year undertaking, and a 20 year undertaking; and 2) to evaluate the feasibility of converting the facility to a solid waste transfer station.

Mr. Kirk said in addition HDR was asked to provide some insight into the costs and capabilities of adding new combustion capability, up to 1,500 tons a day, as a mass burn technology. He said management intends to provide the Board with the examined preliminary options and opportunities prior to receipt of direction from the CT DEEP's RFP process. He said in the event that the RFP process does not come up with a viable solution the Board will be faced with the task of dealing with MIRA's mission requirements with an aged plant. He said

renovating the existing plant is a key option in addition to the consideration of the mass burn facility.

Director Painter asked that the cost of moving the existing structure which would be made redundant to the mass burning facility be added. The Board discussed some possible options for renovations.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**MOTION TO ADD AN ITEM TO THE AGENDA CONCERNING A TRANSFER STATION FEASIBILITY STUDY AT THE CSWS RESOURCE RECOVERY FACILITY**

Chairman Stein requested a motion to add an item to the agenda concerning a feasibility study. Vice-Chairman Barlow made the motion which was seconded by Director Painter.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION REGARDING A TRANSFER STATION FEASIBILITY STUDY AT THE CSWS RESOURCE RECOVERY FACILITY**

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

**RESOLVED:** That the Board of Directors authorizes the President to execute a Request for Services with Arcadis U.S. Inc. to undertake a Transfer Station feasibility Study at the CSWS Resource Recovery Facility, substantially as discussed and presented at this meeting.

Mr. Kirk said this resolution was discussed in conjunction with the HDR resolution. Vice-Chairman Barlow said there was some discussion concerning the possibility of barging the waste. Mr. Egan said this option could certainly be explored by Arcadis.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION REGARDING 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 coverages for Auto, General Liability, Property, Public Officials, Umbrella, and Workers Compensation according to the recommended Option 2 from its broker Beecher Carlson as presented and discussed in this meeting.

**RESOLVED:** That MIRA purchase engineering services per Option 1.

**RESOLVED:** That MIRA finance the premium through a premium financing company on similar terms and conditions to prior years.

Mr. Shanley said the Finance Committee reviewed the renewals in depth with the representatives of MIRA's brokerage firm Beecher Carlson. He said the broker, and MIRA's risk manager, Thomas Edstrom did an excellent job. Mr. Daley agreed, he said essentially the same

coverage is being provided at a reduced premium. He said business interruption was explored more in depth this renewal period and management lowered the revenue component of business interruption based on FY 2018 budget expectations and increased the extra expense component based on updated estimates of diversion costs.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**CHAIRMAN’S REPORT**

Chairman Stein noted that it seems the prospect for MIRA’s REC’s is moving forward and several organizations are acting on MIRA’s behalf concerning this matter.

**PRESIDENT’S REPORT**

Mr. Kirk said all of MIRA’s facilities operated throughout the reporting period without environmental, public safety, or health impacts. He said revenue was \$5.16 million, a 16% increase from the prior month but still 6% below budget. Mr. Kirk said deficits in electricity sales are the basis for the low budget performance and reduced revenues are due to shortfalls in pricing and production.

Mr. Kirk said the total operating expense was 20% favorable to the budget. He said March featured some limited improvement in plant production compared to prior months. Mr. Kirk said the total unscheduled boiler outages were 209 hours, or about 8.7 days of unscheduled versus 380 hours in January. Mr. Kirk said production was hampered by a variety of operational issues including pressure part failures, some de-rail of fuel feed equipment and mechanical head-end plug.

Mr. Kirk said power prices continue to disappoint and the trend for future power is not encouraging. He said MIRA has sufficient fuel to continue to operate the plant at capacity, and town and municipal solid waste deliveries have been slightly below budget, although there has been no need for spot waste.

Mr. Kirk said recycling revenues continue to improve and volumes continue to be strong. He said ReCommunity continues to exceed the budget targets for residue which is a source of

revenue for MIRA. Mr. Kirk said old newspaper and corrugated cardboard prices have improved since the year prior and containers pricing is soft. He said metal prices continue to improve and are 16% above budget and that volumes of metal have also improved. He cautioned the Board against getting used to this as there was a collapse in the fiber market in March.

Mr. Kirk said the CT DEEP phase two project for the RFP is under consideration by the three bidders and management expects to have their completed packages in hand prior to the July meeting (which has been moved to Aug. 3, 2017). He noted the August Board date has also been changed and will now be held on Aug. 22, 2017.

Mr. Kirk said MIRA purchased discreet emissions reduction credits for the jets. He said he and Chairman Stein met with SCRRRA this week.

Mr. Kirk said Unit 14 of the Jet Turbine Facility has been returned to service after extended repairs and MIRA is pursuing a push back with the contractor on some of those costs. He said the total cost of the repair exceeded the operating budget by about \$147,000.

Mr. Kirk said MIRA is waiting for a signature from the City of Hartford to close out the subordination agreement. He said the \$285,000 check is ready to go. Mr. Kirk said the REC initiative continues to move forward with support and would provide, as written, a market valued REC with a ceiling price of 2.5 cent to just Trash-to-Energy plants across the State and would restrict load servers to purchase their REC II's only from CT Trash-to-Energy plants and would likely balance the demand for REC II's with a supply with a price at or near 2.5 cents. He said as written there would still be a 10% surplus of REC's that would be generated if all trash plants generated at last year's rate. Mr. Kirk said it would be in the range of up to \$5 - \$6 million savings for CSWS.

### **THANK YOU TO DIRECTOR ENO**

The Board and management respectively thanked Director Eno for his years of dedication to the MIRA Board and Committee's, he will be missed.

### **EXECUTIVE SESSION**

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation. The motion was made by Director Shanley and seconded by Director Eno 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  
Ann Catino, Esq.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Jim Hayden	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

The Executive Session began at 11:00 a.m. and concluded at 1:41 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The meeting was reconvened at 1:41 p.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.

**MOTION TO ADD TWO ITEMS TO THE AGENDA CONCERNING SCRRRA AND A SETTLEMENT RELATED TO ENRON**

Chairman Stein requested a motion to add two items to the agenda. Vice-Chairman Barlow made the motion which was seconded by Director Painter.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION AUTHORIZING DISTRIBUTION OF CERTAIN FUNDS FROM THE SOUTHEAST PROJECT CLOSURE RESERVE TO THE SOUTHEASTERN REGIONAL RESOURCE RECOVERY AUTHORITY**

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

**WHEREAS**, by resolution adopted at its April 20, 2017 meeting, this Board authorized the release of funds available in the Southeast Project Closure Reserve (the "Reserve"), minus \$100,000 for remaining accrued expenses and ongoing liabilities, to SCRRRA upon MIRA's receipt of an agreement including specified terms from SCRRRA and a release from Covanta; and

**WHEREAS**, MIRA and SCRRRA have negotiated an Assignment, release and Indemnification Agreement (the "Agreement") satisfactory to both parties; and

**WHEREAS**, Covanta has declined to provide the requested release, and the parties now propose to proceed without it;

**NOW THEREFORE**, it is hereby

**RESOLVED:** That upon receipt of the fully executed Agreement, Management is authorized to transfer \$405,639.29 from the reserve to the CSWS Risk fund; and

**FURTHER RESOLVED:** That, following such transfer, Management is authorized to distribute to SCRRRA all Reserve funds remaining less the amount for payment of outstanding Southeast Project legal invoices.

The motion previously made and seconded failed. Chairman Stein, Director Adams, Director Hayden, Director Eno, Director Painter, Director Shanley, and Director Widlitz voted yes. Vice-Chairman Barlow voted no.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow		X	
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**RESOLUTION AUTHORIZING THE PRESIDENT TO AGREE TO SETTLEMENT**

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

**RESOLVED:** That the President is hereby authorized to agree to settlement with 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 settlement substantially on the terms discussed at this meeting.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Ralph Eno	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

**ADJOURNMENT**

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

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Jim Hayden	X		
Bob Painter	X		
Scott Shanley	X		
Patricia Widlitz	X		

There being no other business to discuss, the meeting adjourned at 1:46 p.m.

Respectfully Submitted,

Moira Kenney  
Assistant HR Manager/Board Administrator

# ***Tab 2***

**RESOLUTION REGARDING INTERRUPTIBLE CONTRACT WASTE DELIVERY AGREEMENT FOR DELIVERY OF ACCEPTABLE SOLID WASTE TO THE CONNECTICUT SOLID WASTE SYSTEM**

**RESOLVED:** The President is authorized to enter into a revenue contract with Murphy Road Recycling, Inc. for the delivery of Interruptible Contract Waste to the Connecticut Solid Waste System, substantially as presented and discussed at this meeting; and,

**FURTHER RESOLVED:** The President is authorized to enter into a revenue contract with CWPM, LLC for the delivery of Interruptible Contract Waste to the Connecticut Solid Waste System, substantially as presented and discussed at this meeting; and,

**FURTHER RESOLVED:** The President is authorized to enter into a revenue contract with Patterson Enterprises, LLC for the delivery of Interruptible Contract Waste to the Connecticut Solid Waste System, substantially as presented and discussed at this meeting.

## **Connecticut Solid Waste System Interruptible Contract Waste Delivery Agreement**

### **CONTRACT SUMMARY**

Presented to Board: June 22, 2017

Counterparty: Murphy Road Recycling, Inc.

Contract Type: Revenue – Interruptible Contract Waste Delivery Agreement

Facility: Connecticut Solid Waste System

Revenue: 30,000 tons at \$55.00/ton, and 24,000 tons at \$48.00/ton, equating to revenues of \$2,802,000.

Term: One (1) year (7/1/2017 – 6/30/2018)

Term Extensions: None

Delivery Requirement: Hauler agrees to deliver 54,000 tons of Acceptable Solid Waste, which is referred to as Interruptible Contract Waste. Acceptable Solid Waste delivered under this agreement cannot originate in a Municipality that has a Tier 1 Municipal Services Agreement with MIRA. MIRA has the right to curtail deliveries (“interrupt”) in the event of an unscheduled facility disruption (e.g. boiler outage).

Put-or-Pay: Haulers are subject to quarterly delivery commitments. Failure to meet their quarterly delivery commitments subjects the hauler to a delivery payment in the amount of \$20- \$40/ton, dependent on the time of year, for each ton of waste not delivered.

Delivery Standard: Acceptable Solid Waste in accordance with Connecticut Solid Waste System Permitting, Disposal & Billing Procedures.

Credit Security: Guaranty of payment in a form of letter of credit, surety bond or cashier’s check in the amount equal to two months of waste delivery charges.

**Connecticut Solid Waste System  
Interruptible Contract Waste Delivery Agreement**

**CONTRACT SUMMARY**

Presented to Board:	June 22, 2017
Counterparty:	CWPM, LLC
Contract Type:	Revenue – Interruptible Contract Waste Delivery Agreement
Facility:	Connecticut Solid Waste System
Revenue:	30,000 tons at \$56.00/ton, equating to revenues of \$1,680,000.
Term:	One (1) year (7/1/2017 – 6/30/2018)
Term Extensions:	None
Delivery Requirement:	Hauler agrees to deliver 30,000 tons of Acceptable Solid Waste, which is referred to as Interruptible Contract Waste. Acceptable Solid Waste delivered under this agreement cannot originate in a Municipality that has a Tier 1 Municipal Services Agreement with MIRA. MIRA has the right to curtail deliveries (“interrupt”) in the event of an unscheduled facility disruption (e.g. boiler outage).
Put-or-Pay:	Haulers are subject to quarterly delivery commitments. Failure to meet their quarterly delivery commitments subjects the hauler to a delivery payment in the amount of \$20- \$40/ton, dependent on the time of year, for each ton of waste not delivered.
Delivery Standard:	Acceptable Solid Waste in accordance with Connecticut Solid Waste System Permitting, Disposal & Billing Procedures.
Credit Security:	Guaranty of payment in a form of letter of credit, surety bond or cashier’s check in the amount equal to two months of waste delivery charges.

**Connecticut Solid Waste System  
Interruptible Contract Waste Delivery Agreement**

**CONTRACT SUMMARY**

Presented to Board: June 22, 2017

Counterparty: Patterson Enterprises, LLC

Contract Type: Revenue – Interruptible Contract Waste Delivery Agreement

Facility: Connecticut Solid Waste System

Revenue: 5,000 tons at \$54.00/ton, and 4,000 tons at \$51.00/ton, equating to revenues of \$474,000.

Term: One (1) year (7/1/2017 – 6/30/2018)

Term Extensions: None

Delivery Requirement: Hauler agrees to deliver 9,000 tons of Acceptable Solid Waste, which is referred to as Interruptible Contract Waste. Acceptable Solid Waste delivered under this agreement cannot originate in a Municipality that has a Tier 1 Municipal Services Agreement with MIRA. MIRA has the right to curtail deliveries (“interrupt”) in the event of an unscheduled facility disruption (e.g. boiler outage) or if acceptance of the waste would require MIRA to divert waste out of the CSWS system.

Put-or-Pay: Haulers are subject to quarterly delivery commitments. Failure to meet their quarterly delivery commitments subjects the hauler to a delivery payment in the amount of \$20- \$40/ton, dependent on the time of year, for each ton of waste not delivered.

Delivery Standard: Acceptable Solid Waste in accordance with Connecticut Solid Waste System Permitting, Disposal & Billing Procedures.

Credit Security: Guaranty of payment in a form of letter of credit, surety bond or cashier’s check in the amount equal to two months of waste delivery charges.

**Materials Innovation and Recycling Authority  
Connecticut Solid Waste System  
Interruptible Contract Waste Delivery Agreement**

*June 22, 2017*

**Executive Summary**

This is to request approval for the President to enter into contracts with three separate waste hauling companies for delivery of Interruptible Contract Waste during fiscal year 2018. MIRA conducted a public solicitation to secure these tons of acceptable solid waste for delivery to the CSWS RRF during FY2017.

**Discussion:**

These three agreements are to secure 93,000 tons of acceptable solid waste for delivery to the MIRA Connecticut Solid Waste System. This acceptable solid waste does not originate in Tier 1 participating municipalities; consequently, these tons will not be delivered to the MIRA's system under municipal service agreements or standard hauler agreements. Accordingly, MIRA will contract with these waste hauling companies for delivery of these 54,000, 30,000 and 9,000 ton increments of acceptable solid waste to help ensure that sufficient tons of MSW are delivered to the MIRA Hartford Resource Recovery Facility in Fiscal Year 2018. MIRA's Connecticut Solid Waste System FY2018 budget assumes delivery of contract tons, and these tons comprise those budgeted tons.

**Overview of RFP**

MIRA issued an RFP for Delivery of Interruptible Contract Waste on April 18, 2017. The RFP was posted on the MIRA website and on the State of Connecticut Department of Administrative Services (DAS) State Contracting Portal website in accordance with MIRA's Procurement Policy. An e-mail notice regarding the availability of the RFP was sent to a distribution list of MIRA's current hauler customers in accordance with MIRA's Procurement Policy.

Responses to the RFP for Delivery of Interruptible Contract Waste were due by May 18, 2017.

MIRA received Proposals from three firms:

- Murphy Road Recycling, Inc.
- CWPM, LLC
- Patterson Enterprises, LLC.

Results of the proposals are presented on the following two tables.

<b>Quantity and Prices Submitted by Proposers</b>		
<i>Hauler</i>	<i>Tons Proposed</i>	<i>Price per ton</i>
CWPM, LLC	30,000	\$56.00
Murphy Road Recycling, Inc.	30,000	\$55.00
	52,000	\$48.00
Patterson Enterprises, LLC	5,000	\$54.00
	4,000	\$51.00

<b>Quantities Accepted by MIRA</b>		
<i>Hauler</i>	<i>Tons Proposed</i>	<i>Price per ton</i>
CWPM, LLC	30,000	\$56.00
Murphy Road Recycling, Inc.	30,000	\$55.00
	24,000	\$48.00
Patterson Enterprises, LLC	5,000	\$54.00
	4,000	\$51.00
<b>TOTAL</b>	<b>93,000</b>	

The President appointed Peter Egan, Director of Operations and Environmental Affairs; Mark Daley, Chief Financial Officer; Thomas Gaffey, Director of Enforcement and Recycling; and Roger Guzowski, Contract and Procurement Manager to evaluate the proposals.

Management is recommending entering into agreements with these three proposers as detailed on the preceding Contract Summary pages.

### **Financial Summary**

The total revenues associated with the three contracts equal \$4,956,000 provided all 93,000 tons are delivered. This revenue is associated with the Connecticut Solid Waste System operating budget.

# ***Tab 3***

**RESOLUTION REGARDING MARKET DRIVEN PURCHASE  
OF DISCRETE EMISSION REDUCTION CREDITS (DERCs) FROM  
PFIZER, INC. FOR NO<sub>x</sub> EMISSIONS COMPLIANCE AT THE  
SOUTH MEADOW STATION JET TURBINE FACILITY**

**RESOLVED:** That the President is hereby authorized to enter into an agreement for the purchase of Discrete Emission Reduction Credits (DERCs) from Pfizer, Inc. to ensure compliance with nitrogen oxide (NO<sub>x</sub>) emissions limitations applicable to the South Meadow Station Jet Turbine Facility.

# Materials Recycling & Innovation Authority

## Contract Summary for Contract Entitled

### Purchase of Discrete Emission Reduction Credits (DERCs) from Pfizer, Inc.

Presented to the CRRRA Board on:	June 22, 2017
Vendor/ Contractor(s):	Pfizer, Inc.
Effective date:	May 19, 2017
Contract Type/Subject matter:	Market Driven Purchase: DERCs from Pfizer, Inc.
Facility (ies) Affected:	South Meadow Station Jet Turbine Facility
Term:	Not Applicable – One-Time Purchase
Contract Dollar Value:	\$81,500
Amendment(s):	None
Term Extensions:	Not applicable
Scope of Services:	Purchase of 18 Ozone Season DERCs and 11 Non-Ozone Season DERCs.
Other Pertinent Provisions:	None

# **Materials Innovation & Recycling Authority**

## **Purchase of Discrete Emission Reduction Credits (DERCs) from Pfizer, Inc.**

*June 22, 2017*

### **Executive Summary**

This is to request that the Board of Directors authorize the President to purchase twenty-nine (29) Discrete Emission Reduction Credits (DERCs) from Pfizer, Inc. The DERCs are used to ensure compliance with nitrogen oxides (NOx) emissions limitations applicable to the South Meadow Station Jet Turbine Facility (JTF). Use of the DERCs is authorized by a Trading Agreement & Order issued by the Connecticut Department of Energy & Environmental Protection (DEEP).

There is limited market availability for DERC purchases in the state of Connecticut, with only three DERC generation entities located in the state. Given the limitations, this DERC purchase has been conducted in accordance with Section 5.11 (Market Driven Purchases and Sales) of MIRA's Procurement Policies and Procedures.

### **Discussion**

The JTF complies with NOx emissions limitations via participation in an emissions trading program that is authorized by State regulations and governed by the terms and conditions of a Trading Agreement & Order (TA&O) issued to MIRA by DEEP. All entities that participate in the emissions trading program (i.e., as DERC creators, DERC users, or both) do so under the terms and conditions of individual TA&Os issued by DEEP. MIRA purchases and uses DERCs to achieve NOx emission reductions necessary for compliance with regulatory NOx emissions limitations; MIRA does not create any DERCs.

Pfizer, Inc. creates DERCs by minimizing the NOx emissions from three boilers at its facility via monitoring and controlling the combustion process, and via combusting natural gas instead of diesel fuel. Pfizer recently made 29 DERCs available to MIRA for purchase. Twenty-eight of these DERCs were generated in 2016 and will remain valid through December 31, 2021; the remaining DERC was generated in 2015 and will remain valid through December 31, 2020. Under its TA&O, MIRA retires (uses) one DERC for every ton of excess NOx emissions.

The market for NOx DERCs is limited by the fact that only three entities in the State create them, and two of those entities also use them for NOx emissions compliance. MIRA has purchased NOx DERCs from Pfizer and from one other DERC creator during the last five years. MIRA inquired about the availability of DERCs from the other DERC creator in early April; however, they are still evaluating their inventory and future needs in order to determine how many DERCs, if any, they will make available for sale. The third entity in the State that creates DERCs has not made any DERCs available for purchase by MIRA within the last five years, and has previously indicated an intention to hold onto the DERCs that it creates.

### **Financial Summary**

The total cost for purchase of the twenty-nine DERCs is \$81,500. MIRA budgeted \$75,000 for this expenditure in the FY2017 Property Division Budget, and spent \$39,000 earlier in FY2017 for purchase of DERCs generated during calendar year 2015. There are sufficient funds in the FY2017 Property Division Budget to cover the \$45,500 difference between the budget and the actual costs.

# ***Tab 4***

**RESOLUTION REGARDING PAYMENT OF PROJECTED ADDITIONAL LEGAL EXPENDITURES**

**WHEREAS**, MIRA has entered into Legal Service Agreements with various law firms to perform legal services; and

**WHEREAS**, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2017 projected legal fees, together with authorization for use of appropriate reserves; and

**WHEREAS**, the Board of Directors, at its March 27, 2017 meeting, also authorized MIRA to expend up to \$25,000 for Landfill Division legal fees and costs to be incurred during fiscal year 2017; and

**WHEREAS**, MIRA expects to incur greater than authorized legal expenses from its General Counsel, related to Phase II of the MDC arbitration (for which sufficient use of reserves has previously been authorized), and for Landfill Division matters;

**NOW THEREFORE, it is RESOLVED:** That an additional \$150,000 is hereby authorized for payment of projected legal fees and costs from MIRA's general counsel related to the MDC arbitration to be incurred during fiscal year 2017; and

**FURTHER RESOLVED:** That an additional \$25,000 is hereby authorized for payment of projected legal fees and costs from MIRA's general counsel related to Landfill Division matters to be incurred during fiscal year 2017; and

**FURTHER RESOLVED:** That any portion of the anticipated Landfill Division legal fees which is reimbursed to MIRA by a third party shall be returned to the Landfill Division operating account.

# ***Tab 5***

## Discussion of Recycling Facility Financial Performance

# MIRA - CONNECTICUT SOLID WASTE SYSTEM (CSWS)

## RECYCLING FACILITY

Account	Description	Fiscal Year 2017 (Through April)			Projected YE		
		Budget	Actual	Variance	Budget	Projected	Variance
	Delivery	\$ 562,128	\$ 742,856	\$ 180,728	\$ 672,800	\$ 891,427	\$ 218,627
	Exports	\$ 254,379	\$ 577,059	\$ 322,680	\$ 307,028	\$ 692,471	\$ 385,443
<b>REVENUES</b>	Recycling Sales	\$ 816,507	\$ 1,319,915	\$ 503,408	\$ 979,828	\$ 1,583,898	\$ 604,070
<b>RECYCLING FACILITY EXPENDITURE DETAIL</b>							
49-001-506-52115	Legal Notices	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49-001-506-52305	Bus. Meetings & Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49-001-506-52355	Mileage Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49-001-506-52404	Building Operations	\$ -	\$ 98	\$ (98)	\$ -	\$ 98	\$ (98)
49-001-506-52407	Project Equipment Maintenance	\$ 21,250	\$ 21,565	\$ (315)	\$ 25,500	\$ 26,000	\$ (500)
49-001-506-52502	Fees/Licenses/Permits	\$ 2,710	\$ 3,750	\$ (1,040)	\$ 3,250	\$ 3,750	\$ (500)
49-001-506-52620	Recycling Delivery Rebate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49-001-506-52701	Contract Operating Charges	\$ 420	\$ -	\$ 420	\$ 500	\$ -	\$ 500
49-001-506-52707	Transportation Expense	\$ 433,610	\$ 381,417	\$ 52,193	\$ 526,865	\$ 457,701	\$ 69,164
49-001-506-52858	Engineering Consultants	\$ 25,920	\$ 15,761	\$ 10,159	\$ 31,100	\$ 15,761	\$ 15,339
49-001-506-52901	Environmental Testing	\$ 3,330	\$ 662	\$ 2,668	\$ 4,000	\$ 3,500	\$ 500
	Subtotal	\$ 487,240	\$ 423,253	\$ 63,987	\$ 591,215	\$ 506,810	\$ 84,405
<b>EXPENDITURE DETAIL (OTHER RELATED OPERATING)</b>							
49-001-506-xxxx	Direct Salaries/Labor & Benefits- Operational <sup>1</sup>	\$ 329,817	\$ 228,817	\$ 101,000	\$ 404,734	\$ 274,581	\$ 130,153
49-001-501-59105	CSWS Share of Murphy Rd Operations Center	\$ 106,080	\$ 106,081	\$ (1)	\$ 127,300	\$ 127,297	\$ 3
49-001-506-57871	Indirect Labor & Overhead - Administration <sup>2</sup>	\$ 204,244	\$ 180,770	\$ 23,475	\$ 245,093	\$ 216,924	\$ 28,170
49- Multiple	Recycling Share of Transfer Station O & M <sup>3</sup>	\$ 153,087	\$ 148,669	\$ 4,418	\$ 183,705	\$ 178,403	\$ 5,303
	Subtotal	\$ 793,229	\$ 664,337	\$ 128,892	\$ 960,832	\$ 797,204	\$ 163,628
	Total Projected Expenditures	\$ 1,280,469	\$ 1,087,590	\$ 192,879	\$ 1,552,047	\$ 1,304,014	\$ 248,033
	BALANCE	\$ (463,962)	\$ 232,325	\$ 310,529	\$ (572,219)	\$ 279,884	\$ 356,037
	MIRA Delivered Tonnage <sup>4</sup>	41,870	48,863	\$ 6,993	50,076	58,635	\$ 8,559
	Balance Per Ton	\$ (11.08)	\$ 4.75	\$ 15.84	\$ (11.43)	\$ 4.77	\$ 16.20

<sup>1</sup>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.

<sup>2</sup>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 FY17 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 7.93%.

<sup>3</sup>All of the transfer stations charges are budgeted and expensed through the CSWS and recorded as part of accounts related to each specific station. For the purpose of demonstrating the amount of expense attributable to the recycling operations, each station's expenses were allocated based on the percentage of recycling received at the station. The recycling facility's share of transfer station O&M expenses equates to 12.71% of Essex TS expenses, 14.81% of Torrington TS expenses, and 5.31% of Watertown TS expenses.

<sup>4</sup>Includes all tons delivered from MIRA sources. Tons delivered by the MIRA municipalities is 40,243.98

# ***Tab 6***

RESOLUTION AUTHORIZING DISTRIBUTION OF CERTAIN FUNDS FROM THE SOUTHEAST PROJECT  
CLOSURE RESERVE TO THE SOUTHEASTERN REGIONAL RESOURCE RECOVERY AUTHORITY

WHEREAS, by resolution adopted at its April 20, 2017 meeting, this Board authorized the release of funds available in the Southeast Project Closure Reserve (the "Reserve"), minus \$100,000 for remaining accrued expenses and ongoing liabilities, to SCRRRA upon MIRA's receipt of an agreement including specified terms from SCRRRA and a release from Covanta; and

WHEREAS, MIRA and SCRRRA have negotiated an Assignment, Release and Indemnification Agreement (the "Agreement") satisfactory to both parties; and

WHEREAS, Covanta has declined to provide the requested release, and the parties now propose to proceed without it;

NOW THEREFORE, it is hereby

RESOLVED: That upon receipt of the fully executed Agreement, Management is authorized to transfer \$405,639.29 from the Reserve to the CSWS Risk Fund; and

FURTHER RESOLVED: That, following such transfer, Management is authorized to distribute to SCRRRA all Reserve funds remaining less the amount then owing for payment of outstanding Southeast Project legal invoices.