

MATERIALS INNOVATION AND RECYCLING AUTHORITY

FOUR HUNDRED AND SEVENTY-THREE

SEPTEMBER 21, 2017

A regular meeting of the Materials Innovation and Recycling Authority Board of Directors was held on Thursday, September 21 2017, in the Board Room at 200 Corporate Place, Suite 202, Rocky Hill, CT 06067. Those present were:

Directors:

Chairman Don Stein
Vice-Chairman Dick Barlow (present by telephone)
John Adams
Jim Hayden
Bob Painter
Lizz Milardo
Scott Shanley (present by telephone)
Patricia Widlitz (present by telephone)

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
Jeffrey Duvall, Director of Budgets & Forecasting
Thomas Edstrom, Risk Manager
Deepa Krishna, Manager of Accounting and Financial Reporting
Richard Quelle, Chief Engineer
Thomas Gaffey, Enforcement/Recycling Director
Kanchan Arora, General Accountant/Board Administrator

Public Present:

Ann Catino, Esq.,
Peggy Diaz, CT DEEP;
Al DiVincentis, Esq., Halloran and Sage,
Miguel Escalera, Esq., Kainen, Escalera and McHale.
Michael Vandeventer, CPA, Partner of Mahoney Sabol
John Pizzimenti, USA Hauling,
Marilynn Cruz-Aponte, Department of Public Works, East Hartford.

Chairman Stein called the meeting to order at 9:31 a.m. and said that 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.

Marilyn Cruz-Aponte, Department of Public Works, East Hartford, CT addressed the Board and management. She said the Town of East Hartford and other towns received a letter from Chris Nelson of Department of Energy and Environmental Protection (“DEEP”), which was focused on Comprehensive Materials Management Strategy and a host of items that need to be accomplished by December 2017 and 2018. One of the requirements was to update municipal ordinances. There are no model ordinances or checklist provided by DEEP. Mrs. Cruz-Aponte requested that MIRA consider playing a role in advocating on behalf of its member municipalities with the DEEP to come up with a reasonable approach in creating and revising ordinances.

Peggy Diaz, provided the Board with an update concerning the RFP’s with the Department of Energy and Environmental Protection (“DEEP”). She said there will be a presentation from the three finalists on Thursday, September 28, 2017, at the Hartford City Council Chambers and that any public written comment will be due by October 20, 2017. DEEP is still on schedule to complete this in a timely manner.

MOTION TO ADD AN EXECUTIVE SESSION

Chairman Stein requested a motion to add an Executive Session to discuss pending litigation, feasibility estimates and evaluations, and pending RFP’S. The motion was made by Director Jim Hayden and seconded by Director Pat Widlitz.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice Chariman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Lizz Milardo	X		
Scott Shanley	X		
Patricia Widlitz	X		

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, feasibility estimates and evaluations, and pending RFP'S. The motion was made by Director Shanley and seconded by Director Widlitz.

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., Halloran and Sage
- Al DiVincentis, Esq., Halloran and Sage
- Miguel Escalera, Esq., Kainen, Escalera and McHale

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Lizz Milardo	X		
Scott Shanley	X		
Patricia Widlitz	X		

The Executive Session began at 9:47 a.m. and concluded at 10:46 a.m. Chairman Stein noted that no votes were taken in Executive Session.

The meeting was reconvened at 10:47 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.

APPROVAL OF THE AUGUST 22, 2017 BOARD MEETING MINUTES

Chairman Stein requested a motion to approve the minutes of the August 22, 2017, Board meeting. Director Adams made the motion which was seconded by Director Painter.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Lizz Milardo	X		
Scott Shanley	X		
Patricia Widlitz	X		

RESOLUTION ACCEPTING THE AUTHORITY FISCAL YEAR 2017 ANNUAL FINANCIAL REPORT.

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

RESOLVED: That the MIRA Board of Directors hereby accepts the Fiscal Year 2017 Annual Financial Report as discussed and presented in this meeting.

Director Hayden informed the Board of Directors that the Fiscal Year 2017 Annual Financial report was reviewed in detail at the Finance Committee meeting and Mr. Daley will provide further details.

Mr. Daley informed the Board that MIRA is essentially complete in regards to the status of the Audit Report with few outstanding administrative steps remaining, such as Management Presentation letter and legal letters. He informed the Board that Deepa Krishna and her staff and Michael Vandeventer, CPA, Partner of Mahoney Sabol, and his staff did a great job.

Mr. Daley informed the Board of Directors that the financial statements are on a consolidated basis. Mr. Daley highlighted MIRA’s financial performance and the content of the MD&A which was reviewed in detail at the Finance Committee on September 14, 2017.

Mr. Daley provided an overview of operating revenues and expenses, operating income before and after depreciation, net non-operating revenue, MIRA’s change in net position for the year and components of its net position at year end. He also informed the Board about the economic factors with potential to adversely affect MIRA which are addressed in the MD&A.

Mike Vandeventer, a partner of Mahoney Sabol, gave the Board of Directors a presentation on the audit. Mr. Vandeventer performed an audit of the financial statements of

MIRA, and said that no significant issues were identified during the audit of the financial statements. He said in terms of outstanding items the receipt of the external legal letters is still ongoing, an update of subsequent events may still be needed, and sign off of the management representation letter is required; he expects to issue the audited financials by the September 30, 2017 deadline.

Mr. Vandeventer said Mahoney Sabol plans to issue an unmodified clean opinion on MIRA’s financial statements, which means the firm is not aware of any internal material misstatements. Mahoney Sabol opinion provides reasonable but not absolute assurance. Mr. Vandeventer said Mahoney Sabol also plans to issue a clean report on MIRA’s internal control over financial reporting and on compliance with laws and regulations.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Lizz Milardo	X		
Scott Shanley	X		
Patricia Widlitz	X		

RESOLUTION REGARDING MARKET DRIVEN PURCHASES AND AGREEMENTS FOR THE DIVERSION OF MUNICIPAL SOLID WASTE FROM MIRA’S CONNECTICUT SOLID WASTE SYSTEM

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

WHEREAS: From time-to-time MIRA must divert waste from the Connecticut Solid Waste System (CSWS) due to elevated MSW inventory levels at the CSWS resource recovery facility that may occur from time to time; Now Therefore, be it

RESOLVED: That the President is authorized to enter into an agreement with Covanta Sustainable Solutions, LLC for disposal of MSW from the CSWS Essex Transfer Station to Covanta’s Resource Recovery Facility located in Preston, Connecticut, and;

FURTHER RESOLVED: That the President is authorized to enter into an agreement with Waste Management of Massachusetts, Inc., Inc. for disposal of MSW from the CSWS System to the Chicopee, Massachusetts landfill, and;

FURTHER RESOLVED: that the President is authorized to enter into an agreement with Wheelabrator Technologies, Inc. for the disposal of MSW from the CSWS Essex Transfer Station to Wheelabrator’s Resource Recovery Facility located in Lisbon, Connecticut, substantially as discussed and presented at this meeting.

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

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

RESOLUTION AUTHORIZING THE RENEWAL OF POLLUTION LEGAL LIABILITY INSURANCE FOR THE AUTHORITY.

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

RESOLVED: That the MIRA Board authorizes President Kirk to purchase the Pollution Legal Liability insurance from CHUBB in the amount and with the limit recommended by MIRA’s broker and as presented and discussed in this meeting.

Mr. Edstrom, MIRA’s Risk Manager, informed the Board that MIRA’s Pollution Legal Liability Insurance policy is up for renewal. MIRA’s broker, Beecher Carlson, reached out to a number of carriers to solicit quotes, and CHUBB came in with the best pricing, which will result in a decrease in premium.

The motion to approve the above referenced item was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Hayden, Director Painter, Director Milardo, Director Shanley, and Director Widlitz voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		

Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Lizz Milardo	X		
Scott Shanley	X		
Patricia Widlitz	X		

ORGANIZATIONAL SYNERGY AND HUMAN RESOURCES COMMITTEE REPORT

Director Hayden said the Committee had an organization review meeting today, September 21, 2017 and nothing new to report.

PRESIDENT’S REPORT

Mr. Kirk discussed the availability and capacity issues related to the plant. Mr. Kirk informed the board that Director Andrew Nunn is stepping down and thanked him for his service.

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation and pending RFP’S. The motion was made by Director Adams and seconded by Director Widlitz.

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

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Lizz Milardo	X		
Scott Shanley	X		

The Executive Session began at 11:40 a.m. and concluded at 12:45 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The meeting was reconvened at 12.46 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.

ADJOURNMENT

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

The motion to adjourn was approved unanimously by Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Hayden, Director Painter, Director Milardo and Director Shanley.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Jim Hayden	X		
Bob Painter	X		
Scott Shanley	X		
Lizz Milardo	X		

There being no other business to discuss, the meeting adjourned at 12:47 p.m.

Respectfully Submitted,

Kanchan Arora
General Accountant/Board Administrator