

**MATERIALS INNOVATION AND RECYCLING AUTHORITY**

**FOUR HUNDRED AND EIGHTY FOUR**

**MAY 23, 2018**

A Special Telephonic meeting of the Materials Innovation and Recycling Authority Board of Directors was held on Wednesday May 23, 2018 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  
John Adams  
Jim Hayden  
Scott Shanley  
Patricia Widlitz  
Lizz Milardo  
Bob Painter

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  
Tom Gaffey, Director of Recycling and Enforcement  
Thomas Edstrom, Risk Manager  
Kanchan Arora, General Accountant/Board Administrator

Public Present: None

Chairman Stein called the meeting officially to order at 9:33 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. As there were no members of the public who wished to address the Board, the meeting commenced.

**REVIEW AND RECOMMEND RESOLUTION REGARDING MODIFICATION OF THE AUTHORITY'S PROPERTY INSURANCE POLICY.**

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

**RESOLVED:** That the President is hereby authorized to proceed with a modification to the Authority's current property insurance policy, including without limitation, executing all

documents necessary for the extension of the current coverage, agreeing to any required amendment of such coverage, and making arrangements for payment of the extended or amended coverage, all substantially as presented and discussed in this meeting.

Mr. Kirk said our property insurance policy, which includes coverage for business interruptions or extra expense, expires on June 30, 2018. We have an upcoming claim with our Turbine 5 problem which is causing our current carrier (a consortium of four different companies) concern about renewal. It is a concern for MIRA because we have had trouble finding property carriers willing to take on MIRA’s Risk. Beecher Carlson, our consultant, believes that if we push for a renewal now, our carriers may decline, leaving us without coverage. They suggested a four month extension of our current coverage, which will allow carriers time to evaluate MIRA as a customer. The Turbine claim might cost us \$860,000 to 2.3 million, depending on when we do the outage. Most of the cost is associated with diverting waste from the facility.

Mr. Kirk said we are hoping that by October, we will have substantially more information on the costs related to the turbine damage, and the carriers will be able to make a more informed decision on the renewal – or, if that doesn’t work out, it will give Beecher Carlson time to find another approach. There is no guarantee the extension proposal will be accepted by the carriers; if not, then we will have to discuss it further.

Chairman Stein asked whether our claim will continue under the existing policy even though the policy expires.

Mr. Kirk said yes, it’s a claims-made policy.

Chairman Stein asked whether the idea for an extension came from Beecher Carlson or from the insurance carriers.

Mr. Kirk responded that it came from Beecher Carlson.

Mr. Edstrom said Beecher Carlson representatives have been in touch with the insurance carriers. An extension is the best alternative for MIRA.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Milardo and Director Shanley 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>		
Lizz Milardo	<b>X</b>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Pat Widlitz	<b>X</b>		

**REVIEW AND RECOMMEND RESOLUTION REGARDING AUTHORIZING THE ASSIGNMENT OF AGREEMENTS FOR WASTE TRANSPORTATION AND OPERATION AND MAINTENANCE SERVICES FOR THE TORRINGTON TRANSFER STATION.**

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

**WHEREAS**, the Materials Innovation and Recycling Authority, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut (“MIRA”), and Copes Rubbish Removal, Inc., a Connecticut corporation (“Copes”), have heretofore entered into a certain Agreement for Waste Transportation and Transfer Station Operation and Maintenance Services at the Torrington Transfer Station dated April 26, 2013 (the “Current Agreement”); and,

**WHEREAS**, MIRA and Copes have heretofore entered into a certain Agreement for Waste Transportation and Transfer Station Operation and Maintenance Services at the Torrington Transfer Station dated April 24, 2018 (the “New Agreement”, and collectively with the Current Agreement, the “Agreements”); and,

**WHEREAS**, USA Waste and Recycling, Inc., a Connecticut corporation (“USA”), Copes and Copes’ shareholders and other parties thereto have entered into a certain Asset Purchase Agreement dated as of May 8, 2018 whereby Copes is selling and USA is purchasing the solid waste collection, processing and disposal business of Copes; and

**WHEREAS**, Copes desires to assign the Agreements to USA and USA desires to assume the rights and obligations thereunder of future performance; and

**WHEREAS**, the Agreements require MIRA’s consent to the Assignments; and

**WHEREAS**, Copes and USA desire and request that MIRA consent to the Assignments

**NOW THEREFORE, BE IT RESOLVED:** The President is authorized to execute all documents necessary to assign the Current Agreement to USA Waste and Recycling, Inc., substantially as presented and discussed at this meeting; and

**FURTHER RESOLVED:** The President is authorized to execute all documents necessary to assign the New Agreement to USA Waste and Recycling, Inc., substantially as presented and discussed at this meeting.

Mr. Kirk said this authorizes the assignment for the new agreement between Copes Rubbish & MIRA. Copes is selling all their assets to USA Waste and Recycling Inc. MIRA’s only concern was that, if there are any outstanding liabilities related to the Torrington Transfer Station, that they wouldn’t become issues for MIRA. We have confirmed that outstanding liabilities will be handled by Copes and/or USA Waste and Recycling Inc.

Mr. Kirk added there are two agreements; one brings us to the end of the present contract year and the second begins in July for a new term of at least one year.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Milardo and Director Shanley 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		
Lizz Milardo	X		
Bob Painter	X		
Scott Shanley	X		
Pat Widlitz	X		

**EXECUTIVE SESSION**

Chairman Stein requested a motion to enter into Executive Session to discuss trade secrets, security matters and feasibility estimates and evaluations. The motion was made by Director Shanley and seconded by Director Adams.

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

- Tom Kirk
- Mark Daley
- Peter Egan
- Laurie Hunt

The motion was approved. Chairman Stein, Vice-Chairman Barlow, Director Hayden, Director Painter, Director Adams, Director Milardo, Director Widlitz, and Director Shanley, 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		
Lizz Milardo	X		
Bob Painter	X		
Pat Widlitz	X		

Scott Shanley	X		
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The Executive Session began at 9:45 a.m. and concluded at 10:12 a.m. Chairman Stein noted that no votes were taken in Executive Session.

The meeting was reconvened at 10:13 a.m. The door was opened, and the Board Secretary and all members of the public were invited back in for the continuation of the public session.

**ADJOURNMENT**

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

The motion was approved. Chairman Stein, Vice-Chairman Barlow, Director Hayden, Director Painter, Director Adams, Director Milardo, Director Widlitz, and Director Shanley, 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		
Lizz Milardo	X		
Bob Painter	X		
Pat Widlitz	X		
Scott Shanley	X		

There being no other business to discuss, the meeting adjourned at 10:14 a.m.

Respectfully Submitted,

Kanchan Arora  
General Accountant/Board Administrator