

**MATERIALS INNOVATION AND RECYCLING AUTHORITY**

**FOUR HUNDRED AND NINETY FIVE**

**February 13, 2019**

A meeting of the Materials Innovation and Recycling Authority Board of Directors was held on Wednesday, February 13, 2019 in the Board Room at Suite 202, 200 Corporate Place, Rocky Hill, CT 06067. Those present were:

Directors:

Chairman Don Stein  
Vice-Chairman Dick Barlow  
John Adams  
Jim Hayden  
Scott Shanley  
Patricia Widlitz  
Bob Painter  
Edward Bailey  
Lizz Milardo  
Thomas Swarr, CSWS Project Ad Hoc  
Luke Bronin, CSWS Project Ad Hoc

Present from MIRA:

Tom Kirk, President  
Mark Daley, Chief Financial Officer  
Laurie Hunt, Director of Legal Services  
Jeffrey Duvall, Director of Budgets & Forecasting  
Thomas Gaffey, Director of Recycling & Enforcement  
Roger Guzowski, Contract and Procurement Manager  
Deepa Krishna, Manager of Accounting and Finance Reporting  
Tina Mateo, Assistant Director of Budgets and Cash Management  
Kanchan Arora, General Accountant/Board Administrator

Public Present:

Ann Catino, Esq. (Halloran & Sage)  
Mike Paine, Paines Inc.  
James Albis, DEEP  
Jason Manafort, CWPM, LLC  
Luis De La Parte, SRRT  
Matt Dawyer, WTIC-AM  
Ed Spinella (USA Hauling)  
Peggy Diaz, DEEP

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

Mike Paine, President of Paines Inc. introduced himself to the Board as one of our haulers and said he understands that MIRA is considering raising the Tip Fee as of March 1<sup>st</sup> and that gives him less than two weeks to reformat his bills and bill his customers -- and many of his customers are already billed on a 6 months cycle. If MIRA could delay the increase, he would appreciate it. More notice for the haulers to educate their customers would be helpful.

**APPROVAL OF THE JANUARY 23, 2019, BOARD MEETING MINUTES**

Chairman Stein requested a motion to approve the minutes of the January 23, 2019 Board meeting. Director Painter made the motion which was seconded by Director Hayden.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Bailey, Director Widlitz, Ad Hoc Member Swarr and Ad Hoc Member Bronin voted yes. Director Milardo abstained.

<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		
Bob Painter	X		
Scott Shanley	X		
Lizz Milardo			X
Edward Bailey	X		
Pat Widlitz	X		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	X		
Luke Bronin, CSWS Ad Hoc	X		

**FINANCE COMMITTEE REPORT**

**REVIEW AND APPROVE DRAFT RESOLUTION REGARDING RECOVERY OF “ADDITIONAL COSTS” UNDER THE MUNICIPAL SOLID WASTE MANAGEMENT SERVICES AGREEMENTS.**

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

**WHEREAS**, The Materials Innovation and Recycling Authority (“Authority”) grants access to its Connecticut Solid Waste System (“CSWS”) under the terms and conditions of Municipal Solid Waste Management Services Agreements (“MSAs”) with fifty-one Connecticut municipalities; and

**WHEREAS**, Section 2.7 of the MSA provides for the Authority’s redirection of Emergency Bypass Waste to Alternate Disposal Facilities when the Authority is not able to accept deliveries to the CSWS under the MSAs; and

**WHEREAS**, Section 2.7 and Exhibit A to the MSA further provides that when such redirection of Emergency Bypass Waste is due to any event or circumstance beyond the Authority’s or its contractor’s control, and was not anticipated as of the effective date of the MSA, that the Authority’s obligation to pay Additional Costs with respect to such Emergency Bypass Waste is limited to available insurance proceeds; and

**WHEREAS**, the CSWS Turbine #5 was taken off line for major repair activity on September 30, 2018 which substantially restricted the Authority’s ability to accept waste deliveries, and this circumstance was further exacerbated on November 5, 2018 by the mechanical failure of the CSWS Turbine #6 while the Turbine #5 repairs were underway, causing the Authority to redirect Emergency Bypass Waste to Alternate Disposal Facilities due to circumstances beyond the Authority’s and its contractor’s control; and

**WHEREAS**, the Authority has incurred and continues to incur Additional Costs not recoverable through insurance proceeds which costs include, but are not limited to, transportation and disposal of Emergency Bypass Waste at prices that exceed tip fees due under the MSAs throughout a forty-five day deductible period not covered by the Authority’s Business Interruption and Extra Expense insurance policy; and

**WHEREAS**, management has recommended that the recovery of such additional costs commence March 1, 2019 at the rate of seven dollars (\$7.00) per ton of waste delivered pursuant to the MSAs and the Authority has previously provided sixty (60) days’ notice of a potential tip fee increase as required under Section 22a-265 of the Connecticut General Statutes; and

**WHEREAS**, such recommendation is made in conjunction with management’s recommended Fiscal Year 2020 CSWS Division Operating and Capital Budgets under consideration by the

Authority which recommended budget provides for a further four dollar (\$4.00) per ton increase in tip fees established under applicable provisions of the MSAs to be effective July 1, 2019.

**NOW, therefore, be it:**

**RESOLVED:** That effective March 1, 2019 the Authority's Fiscal Year 2019 tip fee pursuant to its Tier 1 Long Term, Tier 1 Short Term, Tier 2 and Tier 3 MSAs shall each increase by seven dollars (\$7.00) per ton.

**FURTHER RESOLVED:** That management is directed to calculate and report the sum of all such additional costs as soon as practical after the full restoration of CSWS operations which report shall include the estimated date(s) upon which all such Additional Costs shall have been recovered from applicable types and categories of waste and users of the CSWS.

Mr. Daley said the item addresses recovery of additional costs associated with the unplanned outages of Turbines 5 and 6. These outages caused the Authority to redirect what is referred to as "Emergency Bypass Waste" under the Municipal Services Agreements and incur additional costs in the process of doing so under the agreements. MIRA'S obligation to pay additional costs under these circumstances is limited to its recovery under insurance proceeds. Our applicable insurance policies include a 45 day deductible period per event for business interruption and extra expense, and \$250,000 deductible per event on property damage.

Mr. Daley said we have been working with a high level estimate of \$3 million in additional costs reflecting two events with diversions of 6,000 tons per week and an incremental cost of \$30 per ton. Mr. Daley said MIRA will not know the final cost until we fully recover from the outages and settle out all claims.

Mr. Daley said that, after extensive discussion, the Finance Committee decided to recommend a tip fee increase of \$7 per ton as of March 1, 2019, and an additional increase of \$4 per ton as of July 1, 2019. That will result in \$1 million recovery in fiscal 2019 and \$2 million in fiscal 2020.

Chairman Stein asked if that is a \$250,000/month issue.

Mr. Daley said yes, that is what it equates to. He said the turbine outages have presented a cash flow challenge that is being met.

Director Barlow asked whether, if we deferred the increase a month, our cash flow would survive.

Mr. Daley said yes, we would be able to defer the increase a month presuming we were still collecting the \$1 million by the end of fiscal year 2019.

Ad Hoc Member Bronin asked for further explanation of the amount we are seeking this year. We had a three million dollar hit and we are seeking to recover in 2019 and 2020. Why not deal with all of this in the new budget year if cash flow is not a problem?

Mr. Daley said we do have a cash flow challenge; additionally, we have an issue with our contracts -- the recommended FY 2020 tip fee will exceed the MSA opt-out price and towns will have the ability to exit their contracts.

Mr. Kirk presented option A- \$7 tip fee increase starting March 1<sup>st</sup> or option B – postponing the increase for a month and option C, no FY 19 increase at all, which will fully exhaust our reserves.

The Board of Directors had a brief discussion, Director Barlow made an amended motion to change the wording of paragraph 6 of the proposed resolution from “March 1<sup>st</sup> 2019 at the rate of seven dollars (\$7.00) per ton” to “April 1, 2019 at the rate of \$9.35 per ton”; to change the wording of paragraph 7 from “a further four dollar (\$4.00) per ton increase” to “a further \$1.65 per ton increase”; and to make the corresponding changes to the first “Resolved” paragraph. The motion was seconded by Director Shanley.

Ad Hoc Member Bronin asked if the pilot payment of \$1.5 million to City of Hartford will be made at the end of this fiscal year

Mr. Daley said there is not a contract in place for the Hartford Pilot which prevents me from making a payment.

Mr. Kirk said we would need a vote of the Board.

Director Shanley said we are not sure if we will be in the position to make this payment at the end of the fiscal year.

Chairman Stein asked if the \$1.5 million pilot payment is in the analysis.

Mr. Daley said the money is in the budget, but there is a cash flow challenge until the insurance proceeds come in. We don't need to increase the rate change; we just need to manage the cash flow.

Director Shanley asked how much additional rate increase would be necessary to raise the \$1.5 million.

Mr. Daley said \$12 additional in April 2019 to raise the \$1.5 million for the pilot payment.

Mr. Daley said cash flow analysis includes insurance proceeds currently but if that doesn't come in then it will require drawing down from the Property Division General Fund or possibly the Landfill Operating account.

Chairman Stein said if there are no unseen circumstances, the commitment is to pay the \$1.5 million pilot payment to the City of Hartford.

The amended motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, Director Milardo and Ad Hoc Member Swarr and Ad Hoc Member Bronin 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		
Bob Painter	X		
Scott Shanley	X		
Lizz Milardo	X		
Edward Bailey	X		
Pat Widlitz	X		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	X		
Luke Bronin, CSWS Ad Hoc	X		

**REVIEW AND APPROVE DRAFT RESOLUTION REGARDING APPROVING THE FISCAL YEAR 2020 LANDFILL DIVISION OPERATING BUDGET.**

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

**RESOLVED:** That the Fiscal Year 2020 Materials Innovation and Recycling Authority Operating Budget for the Landfill Division attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting.

Mr. Daley informed the Committee that we have total operating revenue of \$254,000 which is flat in comparison to Fiscal Year 2019. This primarily consists of Hartford Solar project energy sales, but also includes Shelton lease payments and some additional pending solar project payments. Operating expenses include our share of energy sales, insurance and other expenses including a small allocation from the Authority Budget (2.8%). MIRA has a small

surplus of about \$26,000, however note that we are showing insurance premium paid previously as part of multi-year procurement.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, and Director Milardo 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		
Bob Painter	X		
Scott Shanley	X		
Lizz Milardo	X		
Edward Bailey	X		
Pat Widlitz	X		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc			
Luke Bronin, CSWS Ad Hoc			

**REVIEW AND APPROVE DRAFT RESOLUTION REGARDING APPROVING THE FISCAL YEAR 2020 PROPERTY DIVISION OPERATING AND CAPITABL BUDGET.**

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

**WHEREAS,** The Materials Innovation and Recycling Authority (“Authority”) maintains a Property Division for certain revenue producing assets not in service to its Connecticut Solid Waste System; and

**WHEREAS,** The Authority has previously established certain reserve funds for the retention, transfer and use of its Property Division income consistent with its statutory purposes which reserve funds currently include, but are not limited to, a Tip Fee Stabilization Fund intended to be drawn upon by the Connecticut Solid Waste System (CSWS) during periods of relatively low Non-Disposal Fee Revenue, and subsequently refunded contingent on future CSWS financial performance, as a means to mitigate inflationary pressures on CSWS solid waste disposal fees; a Property Division Improvement Fund, Jets Major Maintenance Fund, MIRA Severance Fund, Property Division General Fund and CSWS Improvement Fund; and

**WHEREAS,** The Authority annually adopts a Property Division Operating and Capital Budget and directs the distribution of its Property Division income to such funds in support of CSWS and Property Division operations and its other organizational needs; and

**WHEREAS,** The Authority anticipates that declining Non Disposal Fee Revenue and the operational performance the CSWS Resource Recovery Facility will continue to put added pressure on CSWS tip fees in connection with the development of its Fiscal Year 2020 operating and capital budgets necessitating additional contributions to the CSWS Tip Fee Stabilization Fund.

**NOW THEREFORE, be it**

**RESOLVED:** That the Fiscal Year 2020 Materials Innovation and Recycling Authority Operating and Capital Budgets for the Property Division attached hereto as Exhibit A be adopted substantially in the form as presented in Exhibit B attached hereto and discussed at this meeting; and

**FURTHER RESOLVED:** That management is directed to execute adopted Fiscal Year 2020 distributions to the Property Division Improvement Fund and MIRA Severance Reserve in eight equal installments as part of the disbursement of Property Division receipts for the periods ending November 30, 2019 through June 30, 2020; and

**FURTHER RESOLVED:** That effective with the disbursement of receipts for the period ending July 31, 2019 and continuing through and including the disbursement of receipts for the period ending June 30, 2020, the Board of Directors authorizes the next \$8,700,000 in Property Division receipts remaining within the Property Division Clearing Account after disbursement to the Property Division Operating STIF, Property Division Improvement Fund, and MIRA Severance Reserve to be transferred directly to the CSWS Tip Fee Stabilization Fund in lieu of the Property Division General Fund, and the heretofore established maximum Tip Fee Stabilization Fund value is hereby increased by the amount of such transfers. Management is directed to report monthly to the Board on the status of such transfers to the Tip Fee Stabilization Fund which shall not exceed \$8,700,000 during this period without further Board authorization.

Mr. Daley presented Fiscal Year 2020 proposed Property Division budget in two attachments. The first one shows the summary draft proposal shown in comparison to the Fiscal Year 2019 adopted budget and the Fiscal Year 2018 budget versus actual performance. The second attachment is the presentation format reflecting just the Fiscal Year 2020 proposal. Mr. Daley said that we had estimated \$10.8 million in income available for distribution to reserves, but held off recommending reserve contributions until the CSWS budget was fully developed. Since then, MIRA received updated insurance quotes which lowered income slightly to \$10.76 million, and we have zeroed in on CSWS budget alternatives that all include \$8.7 million for Tip



Fee Stabilization. Considering this, the status of plant operations and Resource Rediscovery, we are recommending Property Division income be distributed to four reserve funds.

- \$8,700,000 to Tip Fee Stabilization.
- \$200,000 for Property Division Improvement Fund (Jets Major Maintenance).
- \$800,000 to Severance Reserve (which will bring us to 75% June 20, 2018 liability).
- Remainder to Property Division General Fund = \$1,062,565.
- No Further Distribution to Jets Major Maintenance.
- After Fiscal Year 2019, we will have about \$1.4 million in Jets Major Maintenance Reserve.

Mr. Daley said the \$4.1 million reduction in revenue is directly related to lower capacity payments for the Jets under ISO FCA 10. Operating expenses increase by \$220,000 over the Fiscal Year 2019 budget. MIRA expenses account for about half of that due to increased insurance costs and increased share of Authority budget (up to 20.55% from 18.5%). The rest is tied to Jet Operating charges, including an increase in fuel budget, offset by savings in other budgets. The fuel budget increased due to a price per gallon of \$3.25 (it had been \$2.75).

Mr. Daley said the resolution is structured to execute distributions to the Property Division Improvement Fund and Severance Reserve beginning in November. Then the next \$8.7 million is distributed to Tip Fee Stabilization. After the \$8.7 million cap on Tip Fee Stabilization funds is reached, MIRA will begin transferring to the Property Division General Fund.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, and Director Milardo 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		
Bob Painter	X		
Scott Shanley	X		
Lizz Milardo	X		
Edward Bailey	X		
Pat Widlitz	X		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc			
Luke Bronin, CSWS Ad Hoc			

**REVIEW AND APPROVE DRAFT RESOLUTION REGARDING APPROVING THE FISCAL YEAR 2020 CONNECTICUT SOLID WASTE SYSTEM OPERATING AND CAPITAL BUDGET.**

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

**RESOLVED:** That the Fiscal Year 2020 Materials Innovation and Recycling Authority Operating and Capital Budget for the Connecticut Solid Waste System (“CSWS”) attached hereto as Exhibit A (presentation form) and Exhibit B (budget line items) is hereby adopted as presented and discussed at this meeting; and

**FURTHER RESOLVED:** That the Board of Directors hereby acknowledges that such CSWS Operating and Capital Budget does not include funding of activities associated with the Department of Energy and Environmental Protection’s Resource Rediscovery Request for Proposals including its direction that the Authority enter into an agreement for the redevelopment of the CSWS with the Sacyr Rooney Recovery Team, LLC (“Resource Rediscovery Activities”); and

**FURTHER RESOLVED:** That management is directed to develop and recommend for approval by the Board of Directors a budget, source of funds and reporting protocol for such Fiscal Year 2020 Resource Rediscovery Activities at the appropriate time if and when such funding previously approved for these purposes is determined insufficient; and

**FURTHER RESOLVED:** That the Board of Directors hereby approves and establishes the following CSWS tip fees for FY 2020:

- Tier 1 Short Term - \$85.00 per ton
- Tier 1 Long Term - \$83.00 per ton
- Tier 2 - \$ 87.00 per ton
- Tier 3 - \$ 83.00 per ton
- Waste Hauler (Non-Participating Towns):
  - MSW Delivered to Transfer Station - \$89.00 per ton
  - MSW Delivered to Resource Recovery Facility - \$87.00 per ton
  - Recycling Delivered to Transfer Station - \$46.00 per ton
  - Recycling Delivered to Recycling Facility - \$30.00 per ton
- Municipal Bulky Waste Deliveries - \$100.00 per ton

Mr. Daley said the proposed CSWS Operating and Capital Budget is what was referred to last month as the modified base case scenario. In this scenario, we reduced the proposed mid-year adjustment for additional cost recovery to \$7 per ton effective March 1st, 2019 through the

end of Fiscal Year 2019, resulting in a \$79 Tier 1 long term rate. This would leave approximately \$1.9 million in additional cost recovery to be included in the Fiscal Year 2020 budget, and that produces a step up to an \$83 Tier 1 long term rate, which will be a total increase of \$11 from the current \$72. In addition, we included two scenarios at the end of the CSWS budget presentation discussed with Finance before deciding to move forward with the base: first, a single Tip Fee effective March 1, 2019 thru June 30, 2020, which would be \$82 Tier 1 long term rate, and second, a single Tip Fee effective July 1, 2019 thru June 20, 2020, which would be \$85 Tier 1 long term. Mr. Daley said, aside from the additional cost recovery to be applied in Fiscal Year 2019 versus Fiscal Year 2020, and resulting tip fees, the scenarios were the same. With regard to operating parameters: the budget reflects total MSW processing of approximately 600,000 tons which is down 4.7 % from Fiscal Year 2019 budget. MSW processing is flat in comparison to Fiscal year 2018 actual. MIRA expects 433,000 tons to come in under MSA contacts: East Hartford is now Tier 1, Newington is a new customer and Watertown transfer station reports additional MSA tons. The aggregate tons are about 61,000 tons above fiscal 2019 budget, which is about 16.4% increase, after deducting residue. This leaves 146,000 tons for non-participating town waste, which is a 15% decrease in Hauler Contracts. We expect these non-participating town tons to come in under revamped hauler contracts at a premium price. The pricing and reduced tons settle out to about a 3.2% increase in revenue. Energy generation is budgeted at 285 million kWh, which is an 11% reduction from Fiscal Year 2019 budget and a 2.3% increase from Fiscal Year 2018 actual of 278 million kWh. Recycling deliveries are budgeted at 75,000 tons, which is 14% above Fiscal Year 2018 and Fiscal Year 2019.

Mr. Daley said with regard to pricing, we are at 3.9 cents/kwh on energy. Applicable contract price is 3.91 cents/kWh for the first 20 mw and the wholesale market presently looks good relative to the budgeted rate. The FY 2020 energy price is up 15% from Fiscal Year 2019 adopted. The REC price is at \$4.50, which is down from \$12 from Fiscal Year 2019. We increased our metal sales price to about \$69/ton. This is up from current budget of \$38 and still lower than current year-to-date actual sales price of \$77.32. We are imposing tip fees for non-participating recycling at the levels previously proposed.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, Director Milardo and Ad Hoc Member Swarr and Ad Hoc Member Bronin 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>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Lizz Milardo	<b>X</b>		
Edward Bailey	<b>X</b>		
Pat Widlitz	<b>X</b>		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	<b>X</b>		
Luke Bronin, CSWS Ad Hoc	<b>X</b>		

**REVIEW AND APPROVE DRAFT RESOLUTION REGARDING APPROVING THREE YEAR ECONOMIC ADVISORY AND CONSULTING SERVICES.**

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

**RESOLVED:** That the President is hereby authorized to execute agreements with the following firms for on-call Economic Advisory and Consulting Services, substantially as presented and discussed at this meeting:

- Environmental Capital, LLC
- Gershman, Brickner & Bratton, Inc.
- HDR Engineering, Inc.

Mr. Kirk said we are already familiar with these three consulting firms, and they all provided a presentation and very favorable terms, and we would like to execute an agreement with each of them for on-call Economic Advisory and Consulting services. In addition, any work would be procured through an RFS, which, if it's for more than \$50,000, would require prior approval from the Board.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, and Director Milardo 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>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Lizz Milardo	<b>X</b>		
Edward Bailey	<b>X</b>		
Pat Widlitz	<b>X</b>		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc			
Luke Bronin, CSWS Ad Hoc			

**REVIEW AND APPROVE RESOLUTION REGARDING APPROVING OF USE OF THE JETS MAJOR MAINTENANCE RESERVE FOR SPARE ENGINE ACQUISITION.**

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

**WHEREAS**, at its December 8, 2016 meeting, the Materials Innovation and Recycling Authority (MIRA) Board of Directors approved the fiscal year 2018 Property Division budget which included the establishment and funding of the Jets Major Maintenance Reserve; and

**WHEREAS**, the Jets Major Maintenance Reserve is to be used to provide an additional source of funding for Jets major maintenance and capital improvements not identified in the Property Division’s Operating and Capital Budgets, subject to further Board approval; and

**WHEREAS**, on November 28, 2018 one of MIRA’s jet engine became inoperable and was replaced with MIRA’s spare jet engine; and

**WHEREAS**, MIRA’s Jets facility operator has received three quotes to exchange the inoperable jet engine with a refurbished jet engine which would serve as MIRA’s spare engine; and

**WHEREAS**, Wood Group Pratt & Whitney Industrial Turbine Services, LLC was the lowest quote at ninety-eight thousand (\$98,000.00) plus shipping and installation.

**NOW THEREFORE, be it**

**RESOLVED:** That the Jets Major Maintenance Reserve be used to purchase a refurbished jet engine from the Wood Group Pratt & Whitney Industrial Turbine Services, LLC for \$98,000 plus delivery and installation.

Mr. Kirk said these are the four twin pack generators that are very valuable to the organization, providing capacity payments. Keeping them available and capable of operating at all times is management’s goal, to do so we would like to buy a spare jet engine from Pratt & Whitney.

Director Shanley asked why it says including installation. Does this mean they will install it during operations?

Mr. Kirk said he is not certain he will follow up on that.

Mr. Daley said this means they will deliver it to the site but doesn’t mean they will install it on site.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, and Director Milardo 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>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Lizz Milardo	<b>X</b>		
Edward Bailey	<b>X</b>		
Pat Widlitz	<b>X</b>		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc			
Luke Bronin, CSWS Ad Hoc			

**POLICIES AND PROCUREMENT COMMITTEE**

**REVIEW AND APPROVE RESOLUTION REGARDING MARKET DRIVEN PURCHASE OF SOLID WASTE DISPOSAL CAPACITY ASSOCIATED WITH DIVERSION OF MUNICIPAL SOLID WASTE FROM MIRA’S CSWS.**

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

**WHEREAS:** From time-to-time MIRA must divert waste from the CSWS due to elevated MSW inventory levels at the CSWS Resource Recovery Facility (RRF) that may occur periodically; Now therefore, be it

**RESOLVED:** that the President is authorized to enter into market driven purchases of transportation and disposal services in accordance with the requisitions included in Table 1 substantially as discussed and presented at this meeting.

Mr. Kirk said this is a routine occurrence and should be about the end of diversions associated with our turbine failure.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, Director Milardo and Ad Hoc Member Swarr and Ad Hoc Member Bronin 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		
Bob Painter	X		
Scott Shanley	X		
Lizz Milardo	X		
Edward Bailey	X		
Pat Widlitz	X		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	X		
Luke Bronin, CSWS Ad Hoc	X		

**REVIEW AND APPROVE RESOLUTION REGARDING AUTHORIZING THE PRESIDENT TO ENTER INTO ONE-YEAR SOLID WASTE AND RECYCLABLES DELIVERY AGREEMENTS WITH HAULERS.**

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

**WHEREAS**, The Materials Innovation and Recycling Authority (“Authority”) has entered into Municipal Solid Waste Management Services Agreements with fifty-one Connecticut municipalities (“Participating Municipality”) providing for the disposal of solid waste and single stream recycling at the Connecticut Solid Waste System (“CSWS”); and

**WHEREAS**, the Authority has developed its draft Fiscal Year 2020 operating and capital budgets for the CSWS (“Draft CSWS Budget”) which anticipate the delivery of approximately four hundred thirty-three thousand (433,000) tons of Participating Municipality solid waste and thirty-nine thousand (39,000) tons of Participating Municipality single stream recycling to the CSWS; and

**WHEREAS**, the Draft CSWS Budget further anticipates the total processing capacity of the CSWS to approximate five hundred seventy-nine thousand (579,000) tons of solid waste and seventy-five thousand (75,000) tons of single stream recycling in Fiscal Year 2020 leaving additional processing capacity of approximately one hundred forty six thousand (146,000) tons of solid waste and thirty-six thousand (36,000) tons of single stream recycling in Fiscal Year 2020; and

**WHEREAS**, the Authority desires to make such additional processing capacity available to non-participating municipalities through Waste Haulers upon the terms and conditions discussed at this meeting and summarized on Exhibit A attached hereto.

**NOW, therefore, be it:**

**RESOLVED:** That the President is authorized to enter into Waste Hauler Agreements substantially in the form summarized in Exhibit A.

Mr. Kirk said the waste agreements with private waste haulers will feature some changes. Most importantly, in a situation where there is a processing issue at the plant, such that MIRA needs to divert waste, Haulers may choose to continue to bring in non-participating waste and pay MIRA’s actual cost of the diversion.

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey,



Director Shanley, Director Milardo and Ad Hoc Member Swarr and Ad Hoc Member Bronin 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>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Lizz Milardo	<b>X</b>		
Edward Bailey	<b>X</b>		
Pat Widlitz	<b>X</b>		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	<b>X</b>		
Luke Bronin, CSWS Ad Hoc	<b>X</b>		

**CHAIRMAN’S AND PRESIDENT’S REPORTS**

Mr. Kirk provided a brief update on the negotiation process, turbine issues and repair status, property insurance, human resources update and business expense.

**EXECUTIVE SESSION**

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation and pending RFP responses, potential lease of MIRA real estate, trade secrets, personnel matters, security matters, and feasibility estimates and evaluations. The motion was made by Director Hayden and seconded by Director Adams. Chairman Stein requested that the following people remain for the Executive Session, in addition to the Board members:

- Tom Kirk
- Mark Daley
- Laurie Hunt
- Ann Catino

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey,

Director Shanley, Director Milardo and Ad Hoc Member Swarr and Ad Hoc Member Bronin 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>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Lizz Milardo	<b>X</b>		
Edward Bailey	<b>X</b>		
Pat Widlitz	<b>X</b>		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	<b>X</b>		
Luke Bronin, CSWS Ad Hoc	<b>X</b>		

The Executive Session commenced at 10:30 a.m.

The meeting was reconvened at 11:46 a.m. The door was opened, and the Board Secretary and all members of the public (of which there were none) were invited back in for the continuation of public session. Chairman Stein noted that no votes were taken.

**ADJOURNMENT**

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

The motion previously made and seconded was approved. Chairman Stein, Vice-chairman Barlow, Director Hayden, Director Adams, Director Painter, Director Widlitz, Director Bailey, Director Shanley, Director Milardo and Ad Hoc Member Swarr and Ad Hoc Member Bronin 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>		
Bob Painter	<b>X</b>		
Scott Shanley	<b>X</b>		
Lizz Milardo	<b>X</b>		
Edward Bailey	<b>X</b>		
Pat Widlitz	<b>X</b>		
<b>Ad Hoc Members</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Tom Swarr, CSWS Ad Hoc	<b>X</b>		
Luke Bronin, CSWS Ad Hoc	<b>X</b>		

There being no other business to discuss, the meeting adjourned at 11:47 a.m.

Respectfully Submitted,

Kanchan Arora  
General Accountant/Board Administrator