

Policies & Procurement Committee
February 5, 2020
Regular Telephonic Meeting Draft Minutes

Members Present:

John Adams (On the Telephone)
Pat Widlitz (On the Telephone)
Ed Bailey (On the Telephone)
Richard Barlow (On the Telephone)

MIRA Staff Present:

Tom Kirk, President
Mark Daley, Chief Financial Officer
Laurie Hunt, Director of Legal Services
Peter Egan, Director of Operations & Environmental Affairs
Thomas Gaffey, Director of Recycling and Enforcement
Roger Guzowski, Contract & Procurement Manager
Dave Bodendorf, Senior Environmental Engineer
Vicki Arnum, Buyer/Administrative Assistant

Others Present:

None

Committee Chairman Adams called the meeting to order at 11:02 a.m. and noted that a quorum was present.

1. PUBLIC COMMENT

Committee Chairman Adams said the agenda allowed for a public portion in which the Committee would accept written testimony and allow individuals to speak for a limit of three minutes. As there was no one present who wished to address the Committee, the regular meeting commenced.

2. APPROVAL OF MINUTES OF THE JANUARY 8, 2020 REGULAR COMMITTEE MEETING.

Committee Chairman Adams requested a motion to accept the minutes of the January 8, 2020 Policies and Procurement Committee meeting. The motion to approve the minutes was made by Director Barlow and seconded by Director Widlitz.

The motion to approve the minutes was approved.

3. REVIEW AND RECOMMEND RESOLUTION REGARDING A SETTLEMENT AND RELEASE AGREEMENT.

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

WHEREAS, the Authority owns and operates a Solar Electricity Generating Facility (“Solar EGF”) at the Hartford Landfill, installed in 2014 by Tecta America Corp. (“Subcontractor”) acting as a subcontractor to E. T. & L. Corp. (“Contractor”) with whom MIRA contracted for the design and installation of the Solar EGF; and

WHEREAS, the Solar EGF suffered damage from a lightning strike on or about August 14, 2016; and

WHEREAS, subsequent investigation by the Authority and its consulting engineer, Fuss & O’Neill (“Consultant”) confirmed deficiencies in the design and installation of the Solar EGF; and

WHEREAS, at their own expense, Contractor and Subcontractor made repairs required to return the Solar EGF to service on January 5, 2017; and

WHEREAS, at their own expense, Contractor and Subcontractor corrected several deficiencies within the Solar EGF during 2017 and 2018; and

WHEREAS, in order to bring the Solar EGF installation into full compliance with the original bid specifications, the installation of additional grounding (the “Additional Work”) is required; and

WHEREAS, as part of a Settlement Agreement, Contractor and Subcontractor have agreed to perform the Additional Work at no cost to MIRA, and, to pay MIRA the sum of \$100,000 to cover the cost of lost energy revenue and the cost of consultant and attorney’s fees resulting from

the deficiencies, in return for MIRA's release of any future claims on previously performed work.

NOW, THEREFORE, BE IT:

RESOLVED: That the Board of Directors authorizes the President to execute a Settlement and Release Agreement with E. T. & L. Corp. and Tecta America Corp., substantially as discussed and presented at this meeting.

Mr. Kirk introduced the resolution and said that, hopefully, this is the conclusion of the issue regarding a lightning strike that took out inverter capacity at the Hartford landfill. Peter Egan can give us the quick executive summary, and Dave Bodendorf is here to answer any specific questions.

Mr. Bodendorf said that, in August 2016, there was a lightning strike that actually took out for five months 100% of the solar generating capacity. Initially we believed it was going to be our problem to fix. As we investigated the issue we found out that in spite of having certified as built drawings indicating there was over-current protection on the system, it turns out there wasn't, so the contractor, at its own expense has replaced and added various pieces of equipment to the system. This resolution is to conclude the installation of a proper grounding system, which is unique in that typically, grounding of systems like this can be done locally right near the equipment, but because the landfill sits on a membrane cap, there isn't a path. This requires it to be carried down off of the landfill about 1000 feet. The contractor will do this construction at its cost, because it was supposed to provide the system back in 2014, and also has agreed to pay for lost energy revenues and some costs associated with our engineer and outside counsel.

Chairman Adams asked whether they had any grounding on it.

Mr. Bodendorf said no, we did not penetrate the cover with grounding, but they did have standard copper ground loops around the equipment pads that sat atop the cap -- but as it turns out, the resistance to ground is much higher than the electrical code requires on the landfill.

Mr. Barlow said it was a good catch that you found it. Mr. Bodendorf replied that we found it the hard way.

Mr. Kirk said I would have never guessed that you could essentially electrically insulate an entire landfill with a membrane cover, but that's what we have done. Of course it's grounded now, but it's pretty remarkable when you think about it, 80 acres and hundreds of thousands of tons sitting electrically insulated from the earth.

Director Bailey said well, it sounds like we're rather fortunate that the contractor wasn't out of business and that sounds like a good settlement here.

Mr. Kirk agreed that we're satisfied with the arrangement, we will make a point of returning to the city of Hartford their portion of the lost energy revenues. They are partners with us in these energy revenues, we will make sure they get their piece.

The motion previously made and seconded was approved.

4. **REVIEW AND RECOMMEND RESOLUTION REGARDING REPAIR OF A FREE TURBINE FOR THE JET TURBINE FACILITY.**

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

RESOLVED: That the MIRA Board of Directors authorizes the use of \$200,000 from the Jets Major Maintenance Reserve for repair of a free turbine which will serve as a spare unit at the South Meadows Jet Turbine Facility, substantially as presented and discussed at this meeting.

Mr. Kirk said this is a pretty routine request for effecting the repairs on the free turbine that was removed from our twin pack Unit 11, so that it's ready to be used as a spare and be dropped in as necessary. We did find a different contractor to effect these repairs, as opposed to our typical Wood group contractor who bid a replacement turbine.

Mr. Egan said we received pricing from three vendors. Wood Group, which historically has done work for us, and through which we bought a jet, for example, is the highest of three bidders, and they actually wanted to give us a rebuilt unit, and in addition to the \$280,000 charge they wanted the failed unit as well.

Furthermore, the first vendor is not in a position to be able to test the spare, so that's unacceptable to us because we need to have it tested so that we can put it on the shelf and have a spare ready to go if we need it. Worldwide Turbine has done work for us in the past and is the lowest qualified bidder. They gave us a detailed cost estimate of \$162,000, but there may be discovery so we're asking for the not-to-exceed approval of up to \$200,000 from our reserve to pay for this.

Committee Chairman Adams asked whether we get any type of a warranty with one bid versus another.

Mr. Egan said none of the quotes discusses warranty but we will get the answer and be prepared to present that at the Board meeting.

Director Barlow asked would there be any residual value in these units.

Mr. Kirk said ideally, you could pick up the whole power plant system and move it someplace to operate, but we think that's unlikely given their environmental performance and their efficiencies so we're assuming that all the value they have is to be parted out someplace. There are other units like this; for example, NRG operates some down in Norwalk, a couple of twin packs, so they're not without value, but it's just not much.

The motion previously made and seconded was approved.

5. **REVIEW AND RECOMMEND RESOLUTION REGARDING AN AMENDMENT TO PERSONAL SERVICES AGREEMENT WITH KANCHAN ARORA.**

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

WHEREAS, MIRA entered into a Personal Services Agreement (“PSA”) in February 2019 with its former Board Administrator, Kanchan Arora, for preparation of monthly board and committee meeting minutes; and

WHEREAS, payment under the PSA is now approaching the limit of the authorized cost of Ms. Arora’s services; and

WHEREAS, board approval is required in order to continue engaging Ms. Arora;

NOW THEREFORE, the President is hereby authorized to continue Ms. Arora’s engagement, and to pay up to an additional \$10,000 for her services.

Mr. Kirk said Kanchan helps us out with composing the first draft of the minutes. That was our solution last year to allow us to reduce our headcount when she moved on to another position. That's working out well for us, but we have reached the point where we need board approval to incur further costs in order to continue this arrangement.

The motion previously made and seconded was approved.

5. **EXECUTIVE SESSION**

Committee Chairman Adams requested a motion to go into Executive Session to discuss pending litigation and pending RFP responses, trade secrets, personnel matters, security matters and feasibility estimates and evaluations.

The motion was made by Director Barlow and seconded by Director Bailey. The motion was approved. Committee Chairman Adams requested that the following people remain for the Executive Session in addition to the Committee members:

Tom Kirk
Peter Egan
Mark Daley
Laurie Hunt

The Executive Session commenced at 11:17 a.m. and concluded at 11:58 a.m.

The meeting was reconvened at 11:59 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

AJOURNMENT

Committee Chairman Adams requested a motion to adjourn the meeting. The motion made by Director Barlow and seconded by Director Widlitz was approved.

The meeting was adjourned at 11:59 a.m.

Respectfully submitted,

Kanchan Arora
Consultant