

MATERIALS INNOVATION AND RECYCLING AUTHORITY

January 18, 2023

A Regular meeting of the Board of Directors of the Materials Innovation and Recycling Authority Board of Directors was held via Zoom on Wednesday, January 18, 2023. Present via audio or video conferencing were:

Appointed Directors:

Chairman Stein
Vice Chairman Jim Hayden
Carl Fortuna, Jr.
Bert Hunter
Susan Weisselberg
Ed Mone
Leonard Assard
Dave Steuber
Rich Soderman

Present from MIRA:

Mark Daley, President & CFO
Tom Gaffey, Director of Recycling and Enforcement
Cheryl Kaminsky, Comptroller
Roger Guzowski, Supply Chain Manager
Dave Bodendorf, Senior Environmental Engineer
Chris Sheppard, Environmental Compliance Manager

Others Present:

Ann Catino, Halloran & Sage

Chairman Stein called the meeting officially to order at 9:32 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, Chairman Stein proceeded with the meeting.

1. ADDITION OF AGENDA ITEM

Vice Chairman Hayden requested a motion to add a Resolution honoring Donald S. Stein for his dedicated service as a member and chairman of the CRRA and MIRA board of directors. The motion was made by Director Mone and seconded by Director Weisselberg. The motion previously made and seconded was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
Chairman Stein			x
Vice Chairman Jim Hayden	X		
Carl Fortuna	X		
Bert Hunter	X		
Sue Weisselberg	X		
Ed Mone	X		
Leonard Assard	X		
Dave Steuber	X		
Rich Soderman	X		
Ad Hoc Members	Aye	Nay	Abstain
Luke Bronin (not present)			

2. RESOLUTION HONORING DONALD S. STEIN FOR HIS DEDICATED SERVICE AS A MEMBER AND CHAIRMAN OF THE CRRA AND MIRA BOARD OF DIRECTORS

Vice Chairman Hayden requested a motion to approve the foregoing resolution. The motion was made by Director Mone and seconded by Director Weisselberg.

WHEREAS: Donald S. Stein was appointed to the Connecticut Resources Recovery Authority (CRRA) Board of Directors in May of 2011 and was nominated by Governor Dannel Malloy to be Chairman of the CRRA Board and subsequently unanimously confirmed by the Connecticut General Assembly in April 2012 and;

WHEREAS: Donald S. Stein led the successful transition from CRRA to the Materials Innovation and Recycling Authority (MIRA) with the enactment of Public Act 14-94 and;

WHEREAS: Donald S. Stein has also served as First Selectman of the Town of Barkhamsted for eight consecutive terms prior to and throughout his tenure at MIRA and always faithfully acted in the best interests of the municipalities served by MIRA consistently advocating for policies that ensured providing comprehensive and cost-effective recycling and solid waste management services to the towns and;

WHEREAS: Donald S. Stein has represented MIRA on State Solid Waste Task Forces and committees, testifying before the Connecticut General Assembly and working cooperatively with state agencies, always respected for his calm demeanor and thoughtful approach to providing solutions to statewide challenges with recycling and solid waste management and;

WHEREAS: Donald S. Stein worked closely with MIRA's professional staff and supported them in guiding MIRA through challenging times and difficult upset conditions such as the major turbine outage at the waste-to-energy plant in Hartford that required the successful diversion of thousands of tons of solid waste to alternative disposal facilities to maintain services for MIRA's contract towns and private haulers until the facility was brought back on-line; and

WHEREAS: Donald S. Stein provided a very steady hand in transitioning MIRA from an entity that owned and operated waste-to-energy and recycling facilities to a solid waste and recycling transfer entity maintaining disposal and transportation costs at market levels for MIRA's contract towns aided by the use of reserves that the MIRA Board of Directors had prudently set aside to hold down said costs and;

WHEREAS: Donald S. Stein's commitment to public service, honesty and integrity, has set a very, high standard for all elected and appointed officials to emulate and:

WHEREAS: Donald S. Stein is resigning as Chairman of the MIRA Board of Directors effective January 31, 2023 after more than a decade in that role making Don the longest serving Chairman in the history of MIRA;

Now therefore be it:

RESOLVED: That the Board of Directors joins with MIRA management and staff and the cities and towns served by MIRA in congratulating Donald S. Stein and offering our most sincere appreciation for his unwavering commitment to MIRA’s mission to provide safe, reliable and cost-effective solid waste management services to Connecticut municipalities.

Mr. Daley read the foregoing resolution into the record. The Directors each congratulated and thanked Chairman Stein for his service. The motion previously made and seconded was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
Chairman Stein			X
Vice Chairman Jim Hayden	X		
Carl Fortuna	X		
Bert Hunter	X		
Sue Weisselberg	X		
Ed Mone	X		
Leonard Assard	X		
Dave Steuber	X		
Rich Soderman	X		
Ad Hoc Members	Aye	Nay	Abstain
Luke Bronin (not present)			

3. **APPROVAL OF THE MINUTES OF THE DECEMBER 14, 2022 REGULAR BOARD MEETING**

Chairman Stein requested a motion to accept the minutes of the December 14, 2022 Board meeting. The motion to approve the minutes was made by Director Mone and seconded by Director Weisselberg.

The motion previously made and seconded was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice Chairman Hayden	X		
Carl Fortuna	X		
Bert Hunter	X		
Sue Weisselberg	X		
Ed Mone	X		
Leonard Assard	X		
Dave Steuber	X		
Rich Soderman	X		
Ad Hoc Members	Aye	Nay	Abstain
Luke Bronin (not present)			

4. **POLICIES AND PROCUREMENT COMMITTEE REPORT**

Chairman Stein requested a report on the January meeting of Policy and Procurement Committee. Director Mone noted that the informational reports were reviewed and found acceptable.

5. REVIEW OF DRAFT FY 2024 CSWS OPERATING AND CAPITAL BUDGET

Chairman Stein requested that Mr. Daley review the draft CSWS budget.

Mr. Daley stated that we have a first draft of the FY 2024 CSWS budget ready to review for purposes of getting feedback. There are 3 parts to the draft budget. First we have the high level presentation file which I will share on screen and go through. Then we have a comparison of the proposed draft budget rate model to FY 2024 projection of tip fees included in the MSA Amendment. Lastly there is the detail budget accounts that ultimately get loaded into the procurement system for FY 2024.

Mr. Daley stated that we will need to adopt a CSWS budget and tip fee at the February Board meeting. Last month we provided drafts of the Authority Budget and Property Division Budget which affect what we are doing here with the CSWS.

He said that Authority Budget allocations to the CSWS are incorporated here and as a reminder they came in \$273k (12%) below the level included in the MSA Amendment projection of tip fees. The Property Division budget incorporated structural changes reflecting our facility closures so that 211 Murphy Road, Watertown, Ellington and the Waste to Energy Facility are no longer funded in the CSWS budget. Their upkeep pending policy decisions on future use are funded in the Property Division.

Mr. Daley noted that the CSWS budget now reflects operation of the Torrington and Essex Transfer Stations, MSW transfer and processing services, and recycling transfer and processing services for our 23 participating municipalities.

He reminded for the Committee that both the MSA amendment projection and the adopted FY 2023 budget provided a \$1.5 million PILOT for Hartford even though the plant was closing to provide adequate notice that this payment would decline. Then in FY 2024 the MSA amendment projection included only a Hartford Host Community payment at the same per ton rate as the transfer stations.

Mr. Daley noted that since there is no activity in Hartford other than decommissioning there is not a Host Community payment. If a PILOT or other payment is desired it would come from Property Division reserves.

Mr. Daley summarized the draft budget as producing a Tier 1 Short Term tip fee of \$123 per ton which is \$1 per ton less than the level in the MSA Amendment. We have 21 Tier 1 Short Term towns that this would apply to.

Mr. Daley noted that we also have 2 Tier 1 Long Term towns going into Essex that did not amend or opt out so this leaves the question of what tip fee should be developed for those two

towns. The draft budget provides the same \$123 because these deliveries help MIRA meet its 40,000 ton commitment to Covanta for deliveries to the Preston Waste to Energy Facility.

Mr. Daley proceeded to review the proposed budgets. Director Hunter requested a second budget scenario be developed for consideration that would increase use of reserves as necessary to produce a Tier 1 Short Term Disposal Fee of \$116 per ton and a Tier 1 Long Term Disposal Fee of \$118 per ton considering the rate of increase over the last several years and better than expected cash flow. Director Mone requested an updated cash flow projection. Director Steuber stated that the City of Hartford should continue to receive a PILOT regardless of the operation of the waste to energy facility. Mr. Daley stated he would develop additional budget scenarios and update the cash flow projection for the February Finance Committee

6. CHAIRMAN'S AND PRESIDENT'S REPORT

Mark Daley stated that he had a number of items to update the Board on but wanted first to defer to Vice Chairman Hayden for an OS&HR Committee update since the committee met earlier this morning. Vice Chairman Hayden noted that the Committee reviewed the draft Authority Budget, MIRA's work from home accommodations, the transition of HR duties to Cheryl Kaminsky and the quarterly OS&HE report which was accepted.

Mr. Daley updated the Board on the waste diversion issue noting that waste deliveries remain under budget due to diversion of CSWS waste. Our anticipated improvement in deliveries in November did not occur. MIRA has followed up with DEEP on our request to refer this issue to the Attorney General's office. We had a meeting with DEEP's Deputy Commissioner, one of their attorneys and several staff to fully present the municipalities and haulers involved, and how the issue impacts the State's ability to implement its Comprehensive Materials Management Strategy and diminishes MIRA resources otherwise available for its authorized purposes. He said this was a very productive session and we appreciate DEEP giving us the time. DEEP requested additional information on the rationale for going to the AG instead of direct municipal enforcement and example copies of the contracts involved. We provided DEEP with MSA and hauler contracts with pertinent provisions highlighted. With respect to the rationale for going to the AG, we also provided DEEP with correspondence between MIRA and Attorney Dom Delvecchio who is Chairman of the Durham-Middlefield Interlocal Agreement Advisory Board (DMIAAB) and advises the First Selectman on solid waste matters. We requested another meeting once DEEP had time to review the follow-up material. We are also developing potential monthly reporting of hauler / municipal diversions and associated shortfalls at Essex.

Mr. Daley updated the Board on efforts to coordinate with the Solid Waste Task Force. MIRA provided comments on the PURA WTE task force docket on December 19. PURA issued its draft report January 10. The role of flow control, governance and MIRA's net cost model were not specifically addressed in the draft report. Written comments on the draft report are due by January 23. Mr. Daley stated he would coordinate any comments with our representative on the task force.

Mr. Daley updated the Board on the status of the Waste to Energy Facility Closure Plan Comments. MIRA completed its response to DEEP's comments on the closure plan and our response is posted on MIRA's website. The response was also provided to DEEP's Environmental Justice Program and its Natural Diversity Database Program at DEEP's request. There are areas where MIRA agreed to incorporate changes and areas where we felt requests went beyond the statutory requirements for a closure plan. Updates and changes incorporated in MIRA's response include the demolition of the ash load out building, removal of residual coal from the coal pond, removal of PCBs in caulking found in the former NU Offices and preparation of a revised cost estimate once a final scope is agreed. Updates and changes not incorporated include removal of asbestos and lead paint in areas not being demolished, sampling for asbestos, lead and PCBs in areas not being demolished, predefined methods of cleaning and decontamination before bids are requested and verification and confirmation sampling after cleaning and decontamination beyond MIRA's proposed visually clean standard. The next step would be for DEEP to approve the plan or provide additional responses.

Mr. Daley updated the Board on the CT River Dike noting that this is an emerging issue born of MIRA's submission of its closure plan. Included among DEEP's comments was a request to meet with the Hartford Flood Commission to go over concerns related to the dike partially bordering South Meadows. A meeting was held January 11, 2023 including MIRA and its consultant (TRC), the Flood Commission, Army Corps of Engineers and DEEP's Dam Safety division. It was represented to MIRA that its closure activities will require permits from each of the agencies at the meeting. The agencies expectation is that MIRA structures in and around the Dike have to be properly abandoned, removed or regularly inspected for safety purposes. Additional follow-up will occur to inventory MIRA structures, define the regulatory requirements and MIRA's plan to comply.

Mr. Daley updated the Board on the Jets noting we had an operational failure that occurred on December 24 during the extreme cold. The Jets were dispatched 6 times and failed 5 times for reasons that have since been investigated and corrected to the extent identified including oil pressure and vibration issues. This was during a rare OP4 event which carries penalties which will claw back much of the surplus revenue expected for the month of December. This will be discussed further next month when the final penalty is known.

Mr. Daley updated the Board on MIRA's office relocation noting we continue to chase down a few small roof leaks. Dave Bodendorf is picking up this effort from Pete Egan. We could not wait any longer on the roof so ACORE has started its renovation work. We have scheduled our move for the first weekend in March. We have already been hard at work sending records to long term storage that are no longer needed in the office.

Mr. Daley provided a brief report on MIRA financial performance and cash flows for the period ending November 30, 2022.

7. EXECUTIVE SESSION

Chairman Stein requested a motion to go into Executive Session to discuss Feasibility Estimates and Evaluations made by MIRA relative to prospective public supply contracts for Connecticut Solid Waste System transfer facilities and processing services including the potential impact of same upon MIRA's Municipal Service Agreements, and trade secrets, commercial and financial information given to MIRA in confidence, not required by statute. The motion was made by Director Mone and seconded by Director Soderman. Chairman Stein requested Mr. Daley to identify personnel needed to attend the Executive Session. Mr. Daley stated that in addition to the Directors, Tom Gaffey and Roger Guzowski would be needed for the first topic. Chairman Stein noted that no votes would be taken after the Executive Session and the meeting would be deemed adjourned upon its conclusion.

The motion previously made and seconded was approved by roll call vote as follows.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Jim Hayden	X		
Carl Fortuna	X		
Bert Hunter	X		
Sue Weisselberg	X		
Ed Mone	X		
Leonard Assard	X		
Dave Steuber	X		
Rich Soderman	X		
Ad Hoc Members	Aye	Nay	Abstain
Luke Bronin (not present)			

Executive Session began at 11:10 and ended at 11:42.

8. ADJOURNMENT

The meeting was deemed adjourned upon conclusion of the Executive Session at 11:42 a.m.