

MATERIALS INNOVATION AND RECYCLING AUTHORITY

February 8, 2023

A Regular meeting of the Board of Directors of the Materials Innovation and Recycling Authority was held via Zoom on Wednesday, February 8, 2023. Present via audio or video conferencing were:

Appointed Directors:

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

Ad Hoc Members:

Luke Bronin

Present from MIRA:

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

Others Present:

Ann Catino, Halloran & Sage

Vice Chairman Hayden called the meeting officially to order at 9:31 a.m. and said that a quorum was present.

PUBLIC PORTION

Vice Chairman Hayden 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. APPROVAL OF THE MINUTES OF THE JANUARY 18, 2023 REGULAR BOARD MEETING

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Weisselberg and seconded by Director Mone. The motion previously made and seconded was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
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	X		

2. APPROVAL OF THE MINUTES OF THE JANUARY 24, 2023 SPECIAL BOARD MEETING

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Mone and seconded by Director Hunter. The motion previously made and seconded was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
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			X

3. RESOLUTION APPROVING THE FISCAL YEAR 2024 AUTHORITY BUDGET

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Hunter and seconded by Director Soderman.

WHEREAS, The Materials Innovation and Recycling Authority (MIRA) is contractually obligated to adopt Disposal Fees for its Connecticut Solid Waste System (CSWS) Participating Municipalities on or before February 28, 2023, which fees will apply during MIRA’s Fiscal Year 2024 which begins July 1, 2023 and ends June 30, 2024; and

WHEREAS, such Disposal Fees are to reflect the net cost of operation of the CSWS as defined in the Municipal Service Agreements between CSWS Participating Municipalities and MIRA, which net cost of operation includes a properly allocable share of MIRA’s general administrative expenses commonly known as the “Authority Budget”; and

WHEREAS, in order for MIRA to progress timely with the establishment of Disposal Fees for the CSWS it is necessary for MIRA to adopt the Authority Budget for Fiscal Year 2024 at this time including the budget for personnel and non-personnel services that comprise MIRA’s general administrative expenses and the amounts thereof that are properly allocable to MIRA projects and divisions that will be active during Fiscal Year 2024 including:

1. Connecticut Solid Waste System (CSWS)
2. Property Division
3. Landfill Division; and

NOW THEREFORE, be it

FURTHER RESOLVED: That the Fiscal Year 2024 Materials Innovation and Recycling Authority Operating Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting.

Mr. Daley stated that this is the same Authority Budget as was reviewed with the Finance Committee and Board in December. There were no changes were made since then. He stated in January we reviewed the budget further with the OS&HR Committee and specifically discussed provision of a COLA in the budget as well as maintaining current employee contributions for medical and dental coverage. The narrative on the first page of budget references this direction from the January 18, 2023 OS&HR Committee.

Mr. Daley reminded the Board that the budget provides for the total of 15 retained Authority positions 8 of which are charged to direct to Property Division and CSWS and 7 of which are funded in the Authority Budget. Also included are the Authority's Non-Personnel Services. The Authority Budget totals \$1.66 million and is 42.6% less than FY 2022 actual, 34.3% less than FY 2023 budget and 12% less than the CSWS allocation provided in the MSA Amendment. He said the resolution notes that the Authority Budget is to be allocated to the CSWS, Property Division and Landfill Division and needs to be adopted now due to the contractual obligation to adopt CSWS tip fees by the end of this month.

Mr. Daley stated the budget was discussed in detail at Finance Committee. We discussed if the Authority Budget impacted the CSWS budget scenarios and clarified it's the same Authority Budget in each CSWS scenario. We also discussed the status of the Hartford PILOT and noted that in FY 2024 the PILOT is separate and not tied to any budget approval action in February as it will be paid from Property Division reserves once a payment amount is agreed. He said we are looking at benchmarks to determine a possible range for a FY 2024 PILOT and the Committee felt a determination should be made by spring for Hartford's fiscal planning. We do not have any recommendation or final set of benchmarks. But as of now if Hartford received a host community benefit at the same rate as Torrington, Watertown or Essex for the waste generated in its borders it would be about \$60,000 which would increase to about \$340,000 if it were paid for all CSWS waste prior to consolidation. We have also looked at assessed land values indicated on the property cards for the area and will be extrapolating what that would mean as a PILOT (Murphy Road, Maxim Road, Brainard & MDC). There appears to be a wide range of land value within close proximity. We are also looking at the CRRA Transition Plan which has some information concluding a negative value of the property after accounting for site prep for a future use. He added that at Finance Committee there was also concern if MIRA funds were to be swept for South Meadows mitigation then payment of a PILOT should be held off and this led to discussion of the possible South Meadows Transition Committee and a Transition Contingency Reserve which we will be discussing later.

Ad Hoc Member Bronin stated his desire to include the Hartford PILOT in the budget and that it should not be reduced. He added that the tip fee subsidy should not be expanded and the proposed tip fees were above market. Director Fortuna stated the tip fees were not above market in his experience for the Essex Transfer Station area. Director Steuber questioned the

methodology to calculate a Hartford PILOT and stated his desire to include the PILOT in the budget process.

Public comment was requested at this time from the Greater Hartford Interfaith Action Alliance as the Board Room was not equipped for comment at the beginning of the meeting. The comments were accommodated without objection. The Greater Hartford Interfaith Action Alliance stated its desire for the PILOT to happen and tipping fees adjusted.

Vice Chairman Hayden clarified the PILOT was not eliminated but to be addressed in a use of reserve. Ad Hoc member Bronin reiterated his desire to include the PILOT in the budget and his recollection of discussing elimination of the tip fee subsidy. Director Soderman stated his recollection was to start a dialog with the remaining municipalities but not to eliminate the subsidy. Director Mone stated providing a PILOT to Hartford is appropriate but we are in a process of determining the equitable amount. Director Assard agreed there should be a PILOT and expects an equitable PILOT to be reached moving forward. Ad Hoc member Bronin offered to eliminate the PILOT if the tip fee subsidy was eliminated. Director Fortuna stated his understanding was that the tip fee subsidy was sustainable. Mr. Daley stated we developed an updated cash flow projection and that each stakeholder had to recognize the needs of other stakeholders or it will be difficult to move forward. He said the cash flow projection demonstrates there is a path forward where all stakeholder interests can be accommodated and we should be able to find that path.

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

Directors	Aye	Nay	Abstain
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		X	

4. RESOLUTION APPROVING THE FISCAL YEAR 2024 PROPERTY DIVISION BUDGET

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Hunter and seconded by Director Fortuna.

WHEREAS, The Materials Innovation and Recycling Authority (MIRA) is contractually obligated to adopt Disposal Fees for its Connecticut Solid Waste System (CSWS) Participating Municipalities on or before February 28, 2023, which fees will apply during MIRA's Fiscal Year 2024 beginning June 1, 2023 and ending June 30, 2024; and

WHEREAS, MIRA encouraged 21 CSWS Participating Municipalities to enter into a certain Second Amendment to their Tier 1 Long Term Municipal Solid Waste Management Services Agreement by offering to provide for the continued use of its Tip Fee Stabilization Fund to the extent feasible and necessary to reduce Disposal Fees to the levels projected in such Second Amendment; and

WHEREAS, Such Second Amendment projection of Disposal Fees reflected the use of Tip Fee Stabilization Funds totaling \$12,313,422 to reduce Disposal Fees to projected levels for fiscal years 2024, 2025, 2026 and 2027; and

WHEREAS, MIRA previously authorized transfers to the Tip Fee Stabilization Fund from Property Division income which has been drawn upon and refunded by the CSWS Participating Municipalities in accordance with MIRA's Flow of Funds procedures leaving a balance of \$13,420,370 as of December 31, 2023 which, together with funds available in the CSWS operating and major maintenance accounts, exceed funds necessary to reduce Disposal Fees to the levels projected through June 30, 2027; and

WHEREAS, the Fiscal Year 2024 Property Division Operating Budget includes certain Contingent and Temporary Costs which exceed budgeted revenues which will require funding through use of Property Division General Fund reserves; and

WHEREAS, During Fiscal Year 2024, MIRA will be undertaking a program to sell, scrap or otherwise dispose of surplus equipment which is expected to derive an undeterminable amount of revenue, which is therefore not reflected in the Property Division Budget; and

WHEREAS, Management recommends that net proceeds from the sale or scrap of surplus equipment be used to replenish and rebuild the Property Division General Fund.

NOW THEREFORE, be it

RESOLVED: That the Fiscal Year 2024 Materials Innovation and Recycling Authority Property Division Operating Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: Management is authorized to expend up to \$1,400,000 from the Property Division General Fund in support of such budget's Contingent and Temporary Costs which amount shall not be exceeded without further approval from this Board.

FURTHER RESOLVED: Effective July 1, 2023, no further transfers of Property Division income or reserves shall be made into the CSWS Tip Fee Stabilization Fund and interest earnings on such CSWS Tip Fee Stabilization Fund shall be transferred to the Property Division Operating Account.

FURTHER RESOLVED: Management is directed to develop and execute a plan for the sale or scrap of surplus equipment. Such plan shall incorporate the designation and disclosure of equipment deemed surplus to MIRA's needs, and pursuant to Section 5.12 of MIRA's Procurement Policies and Procedures, if MIRA desires to dispose of surplus equipment that has a fair market value of \$1,000 or more, MIRA shall do so through a Competitive Process that conforms to the intent of such Procurement Policies and Procedures. Items considered scrap may be disposed through appropriate use of existing contracts. Net proceeds from the sale or scrap of surplus equipment shall be deposited to the Property Division General Fund.

Mr. Daley stated that this is also the same budget as was reviewed with the Finance Committee and Board in December. There were no changes were made since then. We are budgeting operating and non-operating revenue of \$1.39 million and also a \$1.39 million use of reserve to balance the budget. The use of reserve provides for the contingent and temporary costs associated with the shutdown of both the waste to energy facility and the Jets. This budget also picks up the cost of CSWS closed facilities including 211 Murphy Road, Watertown and Ellington Transfer Stations and South Meadows as a site.

Mr. Daley added that this is the first time in over 5 years that we have not included a transfer of income from the Property Division to CSWS in this budget and this is noted in the resolution in the context of representations made in the Second Amendment to the MSAs. We note that adequate funds are available within the CSWS Tip Fee Stabilization Fund, operating and major maintenance funds to keep tip fees within the new opt out level. This forms the rationale to begin transferring interest earnings on the Tip Fee Stabilization Fund to the Property Division which supports the upkeep of the CSWS closed facilities. The resolution also notes that we will be starting up a program for the sale or scrap of surplus equipment that will result in an indeterminable amount of revenue which is therefore not budgeted. He said that, although the revenue is indeterminable, the resolution does direct management to deposit the net proceeds of this program into the Property Division General Fund which is intended to replenish the use of reserve for temporary and contingent costs and further supports the closed facilities. This aspect of the resolution was also reviewed with the P&P Committee from the perspective of ensuring compliance with our procurement policy and we have a separate discussion of this on the agenda today.

Mr. Daley further noted that the FY 2024 budget forms part of the basis for our draft cash flow projection to be reviewed later. The FY 2024 use of reserve is reflected, the impact of scheduled draws from the tip fee stabilization fund on interest earnings is reflected and the baseline operating / non-operating loss is also projected out.

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

Directors	Aye	Nay	Abstain
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		X	

5. RESOLUTION APPROVING THE FISCAL YEAR 2024 LANDFILL DIVISION BUDGET

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Hunter and seconded by Director Soderman.

RESOLVED: That the Fiscal Year 2024 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 stated next for consideration is the Landfill Division budget which also had no changes here from what was presented in December. We are budgeting operating and non-operating revenue of \$372 most of which is electric sales from the Hartford solar project. Operating and non-operating expenses total \$253k most of which is insurance and an income share with Hartford. He said the division is budgeted to generate \$119k in income.

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

Directors	Aye	Nay	Abstain
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)			

6. REVIEW OF SECOND DRAFT FY 2024 CSWS OPERATING AND CAPITAL BUDGET

Vice Chairman Hayden stated the desire from Finance Committee was to bring two budget scenarios to the full Board which is why the tip fee and use of reserve is left blank in the resolution. He inquired as to the process to move this forward. Mr. Daley stated he would review the scenarios and then the Board may vote once a decision is made as to the tip fee and use of reserve.

Mr. Daley stated that this is the second draft of the CSWS budget reflecting changes discussed at the January Board meeting. The presentation file includes a summary comparison of each scenario and then specifically identifies changed values in red. The request was to provide for a Tier 1 Short Term Tip Fee of \$116 and Tier 1 Long Term Tip Fee of \$118 through additional use of reserve. He said that as noted on the summary comparison, an additional use of reserve of \$418,628 is required to lower the tip fee from the \$123 for both tiers that was reflected in Scenario 1.

Mr. Daley stated that the planning level assumptions do not change but operating revenues, use of reserves, the rate base used to set the uniform tip fee and the tip fee discounts being applied all change. There was also a small correction made to the Scenario 1 cost of service discount which is why Scenario 1 is labeled as Updated.

He said that for purposes of the cash flow projection to be discussed later, we assumed the scheduled use of the Tip Fee Stabilization Fund and have identified the additional use of reserve associated with Scenario 2 here. We also used the FY 2024 budget to prepare an updated

projection of the MSA Amendment rate model for FY 2025, FY 2026 and FY 2027. We essentially had to adjust the operating budget and the aggregate tons for the reduced customer base, eliminate the energy related revenue from non-disposal fee revenue, and reduce interest earnings accordingly from the FY 2024 level.

Mr. Daley added that there is a draft resolution included in the package that leaves the adopted tip fees and draw from the Tip Fee Stabilization Fund blank so that the Board can discuss which scenario to adopt. We will need to adopt a CSWS budget and tip fee at the February Board meeting as scheduling a special meeting is problematic in the absence of a Chairman. He said there is similar language in this resolution outlining the status and use of the Tip Fee Stabilization Fund and prior CSWS Facilities now closed and being transferred to the Property Division for preservation funding.

Mr. Daley said that at the Finance Committee meeting we discussed that this 2nd scenario is intended to recognize the benefit of additional interest income and the Authority's objective to restructure contracts going forward to mitigate use of reserves. The Committee discussed how a restructuring may be accomplished to the benefit of all stakeholders, the effectiveness of the MSA Amendment through June 30, 2027 and the potential startup of regional authorities. The Committee also discussed the historical concept, use and rationale for stabilizing tip fees, the current market for tip fees and obtaining information on what municipalities may pay as an alternative to MIRA. The Committee decided to bring both budget scenarios to the full Board for consideration.

Vice Chairman Hayden inquired as to the current MSA tip fee rates. Mr. Daley stated we are presently at \$116 Tier 1 long Term and \$111 Tier 1 Short Term. Director Hunter stated the extent of opt outs last year was greater than expected and those towns remaining had little market power. He added that we need recognize establishing regional authorities take time. He also added that the current year reduction should come with a message that we need to wind down the remaining towns and subsequent increases may be substantial. Vice Chairman Hayden inquired if we should vote on two resolutions. Mr. Daley said we should move the resolution, amend it and then vote on it. Attorney Catino agreed.

Directors Mone and Hunter discussed the need to amend the resolution to include a Tier 1 Short Term Tip Fee of \$116 per ton, a Tier 1 Long Term Tip Fee of \$118 per ton use of reserve requirement of \$4,137,291. Vice Chairman Hayden clarified that we would first vote on the underlying resolution and then vote on the amendment including the agreed tip fees and use of reserves. Mr. Daley and Attorney Catino agreed. Director Soderman inquired as to the additional interest income being brought into the Authority. Mr. Daley stated it is approximately \$130,000 more per month than budgeted. Director Steuber noted his objection to the resolution as previously stated.

The motion concerning the underlying resolution was made by Director Hunter and seconded by Director Mone:

WHEREAS, The Materials Innovation and Recycling Authority (MIRA) is contractually obligated to adopt Disposal Fees for its Connecticut Solid Waste System (CSWS) Participating

Municipalities on or before February 28, 2023, which fees will apply during MIRA's Fiscal Year 2024 beginning July 1, 2023 and ending June 30, 2024; and

WHEREAS, MIRA encouraged 21 CSWS Participating Municipalities to enter into a certain Second Amendment to their Tier 1 Long Term Municipal Solid Waste Management Services Agreement by offering to provide for the continued use of the CSWS Tip Fee Stabilization Fund to the extent feasible and necessary to reduce Disposal Fees to the levels projected in such Second Amendment; and

WHEREAS, Such Second Amendment projection of Disposal Fees reflected the use of Tip Fee Stabilization Funds totaling \$12,313,422 to reduce Disposal Fees to projected levels for fiscal years 2024, 2025, 2026 and 2027; and

WHEREAS, MIRA previously authorized transfers to the Tip Fee Stabilization Fund from Property Division income which has been drawn upon and refunded by the CSWS Participating Municipalities in accordance with MIRA's Flow of Funds procedures leaving a balance of \$13,420,370 as of December 31, 2023 which, together with funds available in the CSWS operating and major maintenance accounts, exceed funds necessary to reduce Disposal Fees to the levels projected through June 30, 2027; and

WHEREAS, Effective July 1, 2023, the CSWS shall comprise operation and management of the Torrington and Essex Transfer Stations and the provision of municipal solid waste and recycling transportation, disposal and processing services to its remaining CSWS Participating Municipalities; and

WHEREAS, Effective July 1, 2023, the CSWS closed facilities including the Watertown and Ellington Transfer Stations, Hartford Recycling Facility and Waste to Energy Facility shall be transferred to MIRA's Property Division and funded for maintenance, preservation and decommissioning purposes pending policy decisions concerning their future use.

NOW THEREFORE, be it

RESOLVED: That the Fiscal Year 2024 Materials Innovation and Recycling Authority's Connecticut Solid Waste System Operating and Capital Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That the Tier 1 Short-Term Disposal Fee as defined in the MSA Amendments and reflected in Exhibit A is hereby set at one hundred _____ dollars (\$____.00) per ton for MIRA's Fiscal Year 2024 commencing July 1, 2023 and ending June 30, 2024.

FURTHER RESOLVED: That the Tier 1 Long Term Disposal Fee as defined in the un-amended MSA and reflected in Exhibit A is hereby set at one hundred _____ dollars (\$____.00) per ton for MIRA's Fiscal Year 2024 commencing July 1, 2023 and ending June 30, 2024.

FURTHER RESOLVED: Management is authorized to draw ____ million, ____ thousand and ____ dollars from the CSWS Tip Fee Stabilization Fund during Fiscal Year 2024 in accordance with the Authority's Flow of Funds procedure in support of the Fiscal Year 2024 Connecticut Solid Waste System Operating and Capital Budget attached hereto as Exhibit A.

The foregoing resolution was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
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)			

Director Hunter proposed to amend the foregoing resolution by stating \$116 in the first Further Resolved, \$118 in the second Further Resolved and \$4,137,291 in the third Further Resolved. The amended resolution was raised by Director Hunter and seconded by Director Mone.

WHEREAS, The Materials Innovation and Recycling Authority (MIRA) is contractually obligated to adopt Disposal Fees for its Connecticut Solid Waste System (CSWS) Participating Municipalities on or before February 28, 2023, which fees will apply during MIRA's Fiscal Year 2024 beginning July 1, 2023 and ending June 30, 2024; and

WHEREAS, MIRA encouraged 21 CSWS Participating Municipalities to enter into a certain Second Amendment to their Tier 1 Long Term Municipal Solid Waste Management Services Agreement by offering to provide for the continued use of the CSWS Tip Fee Stabilization Fund to the extent feasible and necessary to reduce Disposal Fees to the levels projected in such Second Amendment; and

WHEREAS, Such Second Amendment projection of Disposal Fees reflected the use of Tip Fee Stabilization Funds totaling \$12,313,422 to reduce Disposal Fees to projected levels for fiscal years 2024, 2025, 2026 and 2027; and

WHEREAS, MIRA previously authorized transfers to the Tip Fee Stabilization Fund from Property Division income which has been drawn upon and refunded by the CSWS Participating Municipalities in accordance with MIRA's Flow of Funds procedures leaving a balance of \$13,420,370 as of December 31, 2023 which, together with funds available in the CSWS

operating and major maintenance accounts, exceed funds necessary to reduce Disposal Fees to the levels projected through June 30, 2027; and

WHEREAS, Effective July 1, 2023, the CSWS shall comprise operation and management of the Torrington and Essex Transfer Stations and the provision of municipal solid waste and recycling transportation, disposal and processing services to its remaining CSWS Participating Municipalities; and

WHEREAS, Effective July 1, 2023, the CSWS closed facilities including the Watertown and Ellington Transfer Stations, Hartford Recycling Facility and Waste to Energy Facility shall be transferred to MIRA's Property Division and funded for maintenance, preservation and decommissioning purposes pending policy decisions concerning their future use.

NOW THEREFORE, be it

RESOLVED: That the Fiscal Year 2024 Materials Innovation and Recycling Authority's Connecticut Solid Waste System Operating and Capital Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That the Tier 1 Short-Term Disposal Fee as defined in the MSA Amendments and reflected in Exhibit A is hereby set at one hundred sixteen dollars (\$116.00) per ton for MIRA's Fiscal Year 2024 commencing July 1, 2023 and ending June 30, 2024.

FURTHER RESOLVED: That the Tier 1 Long Term Disposal Fee as defined in the un-amended MSA and reflected in Exhibit A is hereby set at one hundred eighteen dollars (\$118.00) per ton for MIRA's Fiscal Year 2024 commencing July 1, 2023 and ending June 30, 2024.

FURTHER RESOLVED: Management is authorized to draw four million, one hundred thirty seven thousand, two hundred ninety one dollars from the CSWS Tip Fee Stabilization Fund during Fiscal Year 2024 in accordance with the Authority's Flow of Funds procedure in support of the Fiscal Year 2024 Connecticut Solid Waste System Operating and Capital Budget attached hereto as Exhibit A.

The foregoing resolution was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
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)		X	

Vice Chairmen Hayden inquired as to the timing of notice to the towns and need for a meeting. Mr. Daley stated a letter would be sent shortly and a meeting was warranted. Director Hunter agreed with the need for a meeting to put the reduced tip fee in

7. REVIEW OF UPDATED MIRA CASH FLOW PROJECTION

Vice Chairman Hayden requested that Mr. Daley review the aforementioned process.

Mr. Daley stated we updated the draft cash flow projection and reviewed it at Finance Committee last week. This was requested at the January 18th Board meeting and considering the quick turn it reflects anticipated major changes and commitments at a high level but it is considered adequate to draw general conclusions on our outlook. The projection starts with our actual ending balances for all funds and accounts as of December 31, 2022 which excludes only a small Mid CT account funding its final legal costs.

Mr. Daley said the projection is organized between funds and accounts associated with the Property Division, CSWS division and Other Funds and accounts. The name of each fund and account reflects their intended purpose when established and funded. As of December 31, 2022 the Authority funds and accounts totaled approximately \$57 million.

Mr. Daley outlined the major changes and commitments in the Property Division as including the FY 2024 temporary and contingency costs funded from the FY 2024 Property Division Budget, expenditures for the WTE Facility Closure Plan, projected operating loss in the division providing for closed facility preservation and reductions in interest income as the tip fee stabilization fund is drawn down. This results in Property Division funds and accounts reducing from \$16.9 million to \$11.4 million remaining at the end of the MSAs. He said the projection excludes net revenues from the sale or scrap of surplus equipment, or revenues associated with future use or disposition of the close facilities.

Mr. Daley outlined the major changes and commitments in the CSWS as including the FY 2023 adopted budget use of reserves remaining for January to June from the CSWS Operating Fund and from the Tip Fee Stabilization Fund, FY 2024 through FY 2027 scheduled draws from the Tip Fee Stabilization Fund shown in the MSA Amendment, completion of projects funded in the CSWS major maintenance fund, an updated MSA rate model projection including updated operating expenses, aggregate tons and loss of non-disposal fee revenue funded through draw down of the CSWS operating fund. Mr. Daley added that we assumed use of the CSWS legal and risk fund for their intended purpose. This results in CSWS funds and accounts reducing from \$34.5 million to \$10.9 million remaining at the end of the MSAs

Mr. Daley summarized the major changes and commitments in the other funds and accounts including payment of severance and accrued leave for current and potential future reductions in force and use of the Hartford solar reserve for its intended purpose. This results in other funds and accounts reducing from \$5.8 million to \$2.9 million remaining at the end of the MSAs.

He said in total the draft projection concludes that \$25.2 million in MIRA funds will remain at the end of the MSAs after accommodating these major changes and commitments.

Mr. Daley stated at Finance Committee we discussed the estimated balances at the end of this year and noted that adequate funds are available for a variety of purposes including tip fee stabilization as provided in the MSA Amendment, additional South Meadows site remediation, participating town rebates and CMMS implementation. We also discussed if available funding could improve with a restructuring of contracts and concluded all parties benefit if MIRA is able to satisfy its contracts for less than the projected use of Tip Fee Stabilization provided the MSA Amendment tip fee schedule is complied with. It was noted MIRA has essentially evolved to a regional waste authority and the rationale to reinvent one with reduced buying power was questioned. The Committee noted we are evolving to a position of determining what is available and appropriate mitigation in South Meadows above and beyond the current decommissioning plan. He said the Finance Committee discussed that it's possible to go further with mitigation with a change in statutes in a way that allowed us to adhere to the MSA Amendment tip fee schedule and provide a future distribution of funds to Participating Municipalities.

Director Soderman inquired if the use of tip fee stabilization reflected the first CSWS scenario. Mr. Daley confirmed it did and the additional use of reserve was noted in the discussion of the CSWS budget. Director Soderman and Mr. Daley also discussed the potential large increase in tip fee for FY 2025 since the FY 2024 fee was reduced and need to have a dialog with the towns on the cash flows. Mr. Daley noted the win – win situation occurs when a new entity assumes control of either Torrington or Essex contracts for less than the projected use of reserve and that entity honors the tip fee schedule in the second amendment. Director Hunter inquired as to the tonnage assumed when the MSA amendments were passed versus where we are now. Mr. Daley confirmed the tonnage decline from adoption of the amendment and various factors improving the cash flow projection since that time.

8. DISCUSSION REGARDING PROCESS FOR SALE, SCRAP OR DISPOSAL OF SURPLUS EQUIPMENT FROM MIRA'S PROPERTY DIVISION

Vice Chairman Hayden requested that Mr. Daley review the aforementioned process.

Mr. Daley stated that as indicated in the Property Division Budget resolution we will also be developing and executing a plan for the sale or scrap of surplus equipment. This will begin with the designation and disclosure of equipment deemed surplus to our P&P / future South Meadows Transition Committee.

He said there will also be cases where scrap will be disposed under existing metals recycling contract. There will also be cases where an experienced auctioneer / marketer will be used which services will also be competitively procured. Mr. Daley stated that otherwise these kinds of sales are addressed in our procurement policy so we will be following that process.

He asked Roger Guzowski to screen share the applicable provisions of our procurement process that address the sale of such property noting that the Authority is essentially required to follow the intent of the competitive procurement process for these sales.

Mr. Guzowski screen shared the applicable provisions and discussed that the Authority would undertake competitive bidding under the presumption of a value exceeding \$50,000 which requires the formal bidding and Board approval of contracts. He added that the Authority would then base its awards on the combination of potential contracts generating the greatest revenue to the Authority.

The Directors discussed the benefit of having legal counsel review the procedure which Mr. Daley agreed.

9. RESOLUTION DELEGATING MIRA AUTHORITIES FOR SOUTH MEADOWS TRANSITION COMMITTEE

Vice Chairman Hayden requested that Mr. Daley review the aforementioned resolution. Mr. Daley stated we are clearly now in new territory with respect to South Meadows as a site and the issues surrounding it can certainly benefit from Board level oversight. He said these issues would include high level documentation and reporting on remediation that has already occurred under the transfer act and otherwise which is not well known or understood and should be. He said this would also include the initial steps taken to properly shut down the plant which are also not well known or understood and the work that will be done in the formal closure and decommissioning. He said there are also issues with the CT River dike, and ultimately, if our statutory authority to do so was clarified, we could move beyond the closure and into evaluating future use options for South Meadows.

Mr. Daley added that, in looking at our existing Committee make up and workload it's apparent an opportunity exists to have the Finance Committee take on contract approvals now reviewed at P&P and then have the directors currently serving on P&P form this new South Meadows Transition Committee. This would give us City of Hartford and rural perspectives as well as engineering and energy expertise.

He said this potential change was initially reviewed with Vice Chairman Hayden, and the two committee chairs, who were generally supportive, and then discussed in more detail at the two Committee meetings. The consensus of the Finance Committee was to support these changes. Director Steuber was attending the Finance Committee and requested his support for this be conveyed to the P&P Committee which we did. The P&P Committee was also supportive but requested that the Committee scope not exclude operational oversight of other MIRA facilities or the program for the sale or scrap of surplus equipment.

Mr. Daley said that considering the support a resolution was developed and it is included in the Board package. The resolution acknowledges the existing Committee structure, the background and need for oversight on the South Meadows issues as a priority, the additional scope requested at P&P committee and delegates the new scope of responsibility to each Committee. The resolution provides that the P&P Committee may be commonly referred to as the South Meadows Transition Committee.

Mr. Daley stated that a friendly amendment to the resolution would be beneficial such that the P&P Committee may “also” be commonly referred to as the South Meadows Transition Committee. This was due to the manner in which the bylaws address how committees are established, named and delegated responsibility. Attorney Catino and Vice Chairman Hayden confirmed the nature of the amendment

Vice Chairman Hayden requested a motion on the aforementioned amendment. The motion was made by Director Hunter and seconded by Director Assard.

The foregoing amendment was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
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)			

Vice Chairman Hayden requested a motion on the foregoing resolution as amended. The motion was made by Director Hunter and seconded by Director Assard. The foregoing amendment was approved by roll call vote as follows:

WHEREAS, The Materials Innovation and Recycling Authority (MIRA) Board of Directors has previously established a Policy and Procurement (“P&P”) Committee and a Finance Committee; and

WHEREAS, MIRA has undertaken a managed shut down of the Connecticut Solid Waste Management System (“CSWS”) Waste to Energy (“WTE”) Facility located in Hartford CT; and

WHEREAS, The WTE Facility shut down has given rise to such issues as environmental mitigation measures previously undertaken at the WTE Facility site, steps undertaken to properly shut down the WTE Facility, steps to be undertaken in the formal closure and decommissioning of the WTE Facility once the associated Closure Plan is approved by the Department of Energy and Environmental Protection, WTE Facility structures in and around the CT River Dike and, pending clarification of statutory authority, additional site planning, evaluations and other activities intended to identify and facilitate future use opportunities for the site of the WTE Facility (South Meadows Transition Activities); and

WHEREAS, Management has recommended MIRA Board level oversight of the South Meadows Transition Activities and considers the current composition of MIRA’s P&P Committee well suited to provide such oversight due to the municipal, engineering and energy expertise of its membership; and

WHEREAS, In addition to the priorities of the South Meadows Transition Activities, members of the P&P Committee are also well suited to oversee operational matters of other MIRA facilities including MIRA’s program for the sale or scrap of surplus equipment (Additional Operational Activities); and

WHEREAS, In addition to its current and historic budgeting, financial reporting, auditing and cash management oversight activities, the MIRA Finance Committee is well suited to assume oversight of purchasing and contracting activities historically overseen by the P&P Committee (Procurement Activities).

NOW THEREFORE, be it

RESOLVED: That effective March 1, 2023 the aforesaid South Meadows Transition Activities and Additional Operational Activities are hereby delegated to the P&P Committee which may be commonly referred to as the South Meadows Transition Committee.

FURTHER RESOLVED: That effective March 1, 2023 the aforesaid Procurement Activities are hereby delegated to the Finance Committee.

The foregoing amendment was approved by roll call vote as follows:

Directors	Aye	Nay	Abstain
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)			

10. CHAIRMAN'S AND PRESIDENT'S REPORT

Vice Chairman Hayden requested Mr. Daley provide the President's report.

Mr. Daley updated the Board on the Authority's relocation. He said the WPF office rehabilitation is on schedule and that on close of business Thursday March 2 our IT will shut down excluding scales. Our physical move will be that Friday & Saturday and we will be operating in our new space Monday March 6.

Mr. Daley updated the Board on the status of surplus office furniture made available through the Authority's consolidation and relocation. He said notice was sent to towns yesterday that the surplus office equipment would be on a first come / first serve basis and we provided lists and sample pictures of what we have. He said there is a February 28 deadline which we will extend through March with a firm commitment to pick up equipment.

Mr. Daley updated the Board on the status of DEEPs CMMS update. He said there is a public hearing on February 16 to accommodate public comments and that written comments may be submitted until March 10. He said DEEP was seeking comments on its data and assumptions, policies and strategies and conclusions or observations.

Mr. Daley advised the Board concerning Speaker Ritter's Forum on waste management in the State that will be held on February 23 at the LOB. He said MIRA, DEEP, CCM, COST, Portland, Wolcott, Manchester and 10 bipartisan legislators are scheduled to attend and MIRA will present the impact of its scaling down. Current topics on the agenda include waste management strategies in the State, the feasibility of shifting to organic municipal waste strategies and potential location of new facilities.

Mr. Daley stated that additional South Meadows environmental mitigation work is being scheduled to remediate PCB contaminated soil beneath the contractor parking lot discovered by Eversource in 2019. A Pre-bid site walk will be held February 10 with contractors. We are waiting on plan approval from DEEP and EPA. He added this is required by the Transfer Act and our Exit Strategy contract.

11. ADJOURNMENT

Vice Chairman Hayden adjourned upon conclusion of the Executive Session at 11:26 a.m.