

MATERIALS INNOVATION AND RECYCLING AUTHORITY

March 8, 2023

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

Appointed Directors:

Vice Chairman Jim Hayden
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, Vice Chairman Hayden proceeded with the meeting.

1. APPROVAL OF THE MINUTES OF THE FEBRUARY 8, 2023 REGULAR BOARD MEETING

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Hunter and seconded by Director Soderman. 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 (Not in attendance)			
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 in attendance)			

2. REVIEW AND APPROVE DRAFT RESOLUTION APPROVING THE FISCAL YEAR 2023 AND FISCAL YEAR 2024 HARTFORD PILOT AGREEMENT

Vice Chairman Hayden noted that this item requires a super majority which we do not have at this meeting and requested a motion to table pending availability of a super majority. The motion was made by Director Mone and seconded by Director Hunter. Director Steuber inquired as to the need for a super majority for this item but not for a budget adoption. Mr. Daley advised this is correct. Each year we adopt budgets with a majority which is followed by contract approvals providing for the payment. The contract requires a super majority as it exceeds \$50,000. 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 (Not in attendance)			
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 in attendance)			

3. **REVIEW AND APPROVE DRAFT RESOLUTION ESTABLISHING AN INITIAL SOUTH MEADOWS TRANSITION CONTINGENCY RESERVE**

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

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, CSWS closed facilities including the Watertown and Ellington Transfer Stations, Hartford Recycling Facility and Waste to Energy (“WTE”) Facility shall be transferred to MIRA’s Property Division and funded for maintenance, preservation and decommissioning pending policy decisions concerning their future use; and

WHEREAS, Management has determined that certain funds available within the CSWS Operating and Major Maintenance accounts may properly be made available for continued work at the WTE Facility including and South Meadows site.

NOW THEREFORE, be it

RESOLVED: That management is hereby directed to establish a South Meadows Transition Contingency Reserve within the State Treasurer’s Short Term Investment Fund (“STIF”).

FURTHER RESOLVED: That management is directed to transfer the sum of one million five hundred thousand dollars (\$1,500,000) from the CSWS Operating Account into such a South Meadows Transition Contingency Reserve.

FURTHER RESOLVED: That management is directed to transfer the sum of four million dollars (\$4,000,000) from the CSWS Major Maintenance Fund into such a South Meadows Transition Contingency Reserve.

FURTHER RESOLVED: That interest earnings on such Contingency Reserve shall be transferred to the CSWS Operating Account.

FURTHER RESOLVED: No funds shall be expended from such South Meadows Transition Contingency Reserve until such time as MIRA’s statutory authority is clarified to permit evaluation of future use options for South Meadows, site preparation and mitigation consistent with those options.

Mr. Daley stated that this is the resolution previously discussed with the Finance Committee and Board that would establish an initial South Meadows Transition Contingency Reserve. This is somewhat of a companion to the prior establishment of the South Meadows Transition Committee which had its first meeting last week. We discussed both of these initiatives at our Town meeting held on February 21. We then also discussed them at the Speakers Summit held on February 23. And on February 27 we distributed the presentation made at the Speaker’s Summit and MIRA’s oral testimony on HB 6664 to the participating municipalities noting the transition contingency reserve will be discussed at this month’s meetings and we requested their support.

Mr. Daley added that we have described these actions as some of the areas where MIRA was in alignment (or in the process of aligning) with some of the objectives in HB 6664. We are concerned that some aspects of the bill may be in conflict with valid interests the participating towns have in MIRA reserves and so this action is a step toward establishing common ground

among the multiple stakeholders in MIRA reserves. Those additional stakeholders would include Hartford, DEEP and possibly others. The resolution establishes a \$5.5 million reserve by transfer of funds from the CSWS major maintenance fund and operating account. He said interest on the new reserve would stay with CSWS because that was previously included in the CSWS budget for FY 2024. The amount of \$5.5 million can be viewed as reasonable in the context of WTE Facility Major Maintenance Funds not spent as the facility closed down. It can also be viewed as reasonable in light of over \$3 million in NAES funding returned to MIRA as the facility closed down and we reconciled accounts and included those funds in our account balances. Mr. Daley said at the end of the day the CSWS participating towns are kept whole in the amended MSA with approximately \$5.4 million remaining in the cash flow projection and funds available in the Property Division would exceed \$20 million before counting revenue from the sale of surplus property. He added that this was supported unanimously at Finance Committee.

Mr. Daley screen shared a cash flow projection depicting establishment of the reserve along with the proposed transfers to fund it and the basis for concluding the CSWS Participating Municipalities are kept whole under the MSA Amendment terms.

Director Hunter requested clarification this is an allocation of reserves and not authorization to expend. Mr. Daley stated that is correct and reflected in the resolution. Director Hunter requested further clarification that MIRA's future Board could change the amount of the reserve. Mr. Daley stated that is correct but the underlying issue of the Participating Municipalities valid interests in the funds would remain. Director Bronin requested clarification that, with respect to the approximate \$9 million remaining in the Property Division General Fund, those funds would be available for further mitigation of the site if that was determined appropriate in the future. Mr. Daley stated that was a correct. The Property Division funds are aimed at the non CSWS activities. Director Steuber added that the \$5.5 million should not be considered adequate to fully address the remediation needs of the site and that he does not believe statutory changes are needed to go further with the remediation.

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

Directors	Aye	Nay	Abstain
Vice Chairman Hayden	X		
Carl Fortuna (Not in attendance)			
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. REPORT ON PRESENTATION OF SOUTH MEADOWS SITE REMEDIATION BACKGROUND AND STATUS

Vice Chairman Hayden noted that the P&P committee has now been transformed into the South Meadows Transition Committee which had its first meeting on the prior remediation efforts and opened the topic for discussion. Director Mone stated that the Committee is ready to take on this new role and much will be dependent on how the Governor's bill evolves.

Mr. Daley stated that we had our first presentation of MIRA's prior and ongoing efforts to undertake environmental mitigation at the South Meadows site. The presentation material is included in the Board package for informational purposes and it will be uploaded to our website. Chris Shepard did a great job with this with the intent of identifying issues for follow up at subsequent committee meetings. The report identifies remediation done under the transfer act when MIRA took title to the property in the spring of 2001. Based on the review at committee we are looking to follow up on a couple of items initially. First is on the background of remediation to the industrial versus residential standard. We also want to document the extent of test borings completed at the site. There is interest in further documenting easements and environmental land use restrictions and a possible tour.

Director Mone stated his understanding is that, at this stage, we have met the standards for remediation to the industrial standard and if there is a need to go further that is the why we have the funds just set aside in the South Meadows Transition Contingency Reserve. Mr. Daley stated we are essentially complete, but after the certification was submitted, some additional remediation was identified as necessary which will be undertaken shortly and we will then submit for certification again. Chris Shepard confirmed the location and nature of the additional remediation about to occur and process to resubmit for certification. Director Soderman stated it should be noted that MIRA has already paid \$26 million to TRC to be the certifying party so we have already put that money into remediation to the industrial standard and as part of this we also have an insurance policy for up to \$100 million for future covered discoveries. He inquired if it was possible to get a map of all the borings. Mr. Shepard stated he has made that request to TRC and hopes to have that for the next meeting. Mr. Daley stated we will be further drilling down to document the extent of further insurance coverage.

5. REPORT ON PRESENTATION OF HARTFORD LANDFILL SITE REMEDIATION BACKGROUND AND STATUS

Vice Chairman Hayden requested a report on the aforementioned presentation.

Mr. Daley stated we also had our first presentation of MIRA's prior efforts to properly clean up and close down the Hartford landfill. The presentation material is included in the Board package for informational purposes and it will be uploaded to our website. Dave Bodendorf did a great job with this with the same intent of identifying areas of interest. The work undertaken to protect groundwater was of interest including how MIRA created a bathtub beneath the landfill to prevent infiltration. The solar project was also of interest. We may schedule a tour of this as well.

Vice Chairman Hayden requested a brief screen share of the presentation. Mr. Bodendorf reviewed the history of the landfill prior to MIRA's takeover of it from the City of Hartford and MIRA's work to install environmental controls as part of its operation of the landfill. He also reviewed the work undertaken to properly close the landfill and install the 1 megawatt solar project on it.

Director Mone noted this was the means by which to cap the landfill and allows for expansion of the solar project. Mr. Bodendorf added that an expansion would be possible but require approval from DEEP. Director Soderman inquired as to the extent of settlement. Mr. Bodendorf stated it has been stable with some uniform settlement.

6. REPORT ON SALE AND/OR SCRAP OF SURPLUS EQUIPMENT

Vice Chairman Hayden requested a report on the aforementioned process.

Mr. Daley reminded the Board we have been through the proposed process with the P&P Committee and Board and that it may include use of our existing contract for scrap, competitive process for selection of a marketer for special equipment, and the competitive process for direct sales each starting with the presumption of at least \$50,000 in value for the purpose of establishing the competitive process to be followed. Mr. Daley added that at the last meeting the Board requested Ann Catino to review the proposed process. He said Roger Guzowski has provided Ms. Catino with the proposed process and she has reviewed it. Ms. Catino stated she reviewed it and we can sell real and personal property under our statutes and the proposed process conforms to our established procedures which will be driven by the value. Specifically, contracts in excess of \$50,000 would require two thirds of the full Board. Mr. Daley stated we will continue to coordinate with the Transition Committee and Finance Committee on these sales and all revenue would be deposited to the Property Division General Fund

7. CHAIRMAN'S AND PRESIDENT'S REPORT

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

Mr. Daley stated he had a number of items he would go through quickly.

He stated that our move from Rocky Hill to the WPF office went smoothly and we are up and running at the new WPF offices. He thanked everyone for all their hard work in accomplishing the move and adhering to the State records retention requirements. He said 5 towns took advantage of our surplus furniture and equipment made available.

Mr. Daley briefed the Board on our town meeting held February 21. He said we had good attendance and briefed the towns on the FY 2024 budget as well as HB 6664 areas of agreement and areas needing further discussion.

Mr. Daley also briefed the Board on MIRA's attendance at the Speakers Summit on waste management held February 23 where MIRA presented its views on the unsuccessful conclusion of Resource Rediscovery and again addressed HB 6664 areas of agreement and areas needing further discussion.

Mr. Daley also briefed the Board on MIRA's Oral Testimony on HB 6664 which he and Vice Chairman Hayden provided on February 27 adding that we are preparing detail follow up material for future meetings on the subject.

He added that on February 28 MIRA did provide formal notice of the tip fee adopted for FY 2024 to the CSWS Participating Municipalities.

Vice Chairman Hayden stated that MIRA's testimony on HB 6664 went well and we are looking forward to further conversation with the Environment Committee, DEEP and the Governor's office to help determine the future of waste management in the State.

8. EXECUTIVE SESSION

Vice Chairman Hayden stated the next item on the agenda is to enter Executive Session to discuss pending RFPs and feasibility estimates and evaluations relative to prospective public supply contracts, including MIRA RFP's and prospective contracts for Connecticut Solid Waste System Recycling Services and the impact of same upon MIRA's FY2024 operating and capital budgets. Mr. Daley requested that Ann Catino, Tom Gaffey and Roger Guzowski attend the Executive Session in addition to himself and the directors. Vice Chairman Hayden inquired if any votes would be taken after the Executive Session. Mr. Daley stated that there may be a vote on one item after the Executive Session. The motion to enter Executive Session was made by Director Hunter and seconded by Director Mone.

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

Directors	Aye	Nay	Abstain
Vice Chairman Hayden	X		
Carl Fortuna (Not in attendance)			
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 (No longer in attendance)			

The Executive Session commenced at 10:30 and concluded at 11:55

9. RESOLUTION REGARDING RECYCLING SERVICES

Vice Chairman Hayden requested a motion to add the aforementioned item to the agenda. The motion was made by Director Mone and seconded by Director Hunter. The motion was approved by roll call as follows:

Directors	Aye	Nay	Abstain
Vice Chairman Hayden	X		
Carl Fortuna (Not in attendance)			
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 (No longer in attendance)			

10. RESOLUTION REGARDING RECYCLING SERVICES

Vice Chairman Hayden requested a motion on the aforementioned resolution. The motion was made by Director Hunter and seconded by Director Mone. Mr. Daley screen shared the resolution which was read into the record by Vice Chairman Hayden.

WHEREAS, The Materials Innovation and Recycling Authority (Authority) issued a Request for Proposals for Connecticut Solid Waste System Recycling Services (“Recycling RFP”) on January 19,2023; and

WHEREAS, Such Recycling RFP stated that the Authority is assessing the economic viability of its current recycling operation and desires to achieve efficiencies by soliciting and re-designating a facility or facilities for the processing of single stream recycling; and

WHEREAS, Pursuant to the terms of the Recycling RFP, the Authority received three initial alternative proposals to its current recycling operation which are being evaluated and discussed further with such Proposers; and

WHEREAS, The Authority desires to determine the economic viability of such current recycling operations within the established contractual deadlines.

NOW THEREFORE, be it

RESOLVED: Provided the Authority determines efficiencies will be achieved by contracting with alternative Proposers as discussed in the meeting, the President is authorized to provide notice by April 1, 2023 that its current recycling operation is no longer viable pursuant to the terms of Section 4.2 of the Authority’s Transfer Agreement for Connecticut Solid Waste System Recycling Facility.

Vice Chairman Hayden inquired if there was any discussion needed for the resolution. Hearing none the resolution was approved by roll call as follows:

Directors	Aye	Nay	Abstain
Vice Chairman Hayden	X		
Carl Fortuna (Not in attendance)			
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 (No longer in attendance)			

11. ADJOURNMENT

Vice Chairman Hayden requested a motion to adjourn and continue the regularly scheduled March 8, 2023 Board of Directors meeting on March 27, 2023 at 9:30 AM to continue to address the agenda items. The business of the Board will then be continued and taken up on March 27, 2023. The motion was made by Director Mone and seconded by Director Hunter. The motion was approved by roll call as follows:

Directors	Aye	Nay	Abstain
Vice Chairman Hayden	X		
Carl Fortuna (Not in attendance)			
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 (No longer in attendance)			