

MATERIALS INNOVATION AND RECYCLING AUTHORITY

April 12, 2023

A Regular meeting of the Board of Directors of the Materials Innovation and Recycling Authority was held via Zoom on Wednesday, April 12, 2023. Present via audio or video conferencing were:

Appointed Directors:

Vice Chairman Jim Hayden
Bert Hunter
Carl Fortuna
Ed Mone
Leonard Assard
Dave Steuber

Ad Hoc Members:

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 Shepard, Environmental Compliance Manager

Others Present:

Ann Catino, Halloran & Sage
Daniel Jerram First Selectman from New Hartford

Vice Chairman Hayden called the meeting officially to order at 9:34 a.m. and said that a quorum was present. Vice Chairman Hayden note that Daniel Jerram was in attendance considering an appointment to the MIRA Board.

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 MARCH 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 Mone. The motion previously made and seconded was approved as follows:

Directors	Aye	Nay	Abstain
Vice Chairman Jim Hayden	X		
Carl Fortuna (Not in attendance 3/8)			X
Bert Hunter	X		
Sue Weisselberg (Not in attendance)			
Ed Mone	X		
Leonard Assard	X		
Dave Steuber	X		
Rich Soderman (Not in attendance)			
Ad Hoc Members	Aye	Nay	Abstain
Luke Bronin (Not in attendance)			

**2. APPROVAL OF THE MINUTES OF THE MARCH 27, 2023 RECONVENED
MEETING OF THE MARCH 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 Mone. The motion previously made and seconded was approved as follows:

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

3. **REVIEW AND APPROVE RESOLUTION REGARDING APPROVAL OF SPOT WASTE SOLICITATION CONDUCTED MARCH 2023**

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

RESOLVED: That the President is hereby authorized to select A Spot Waste delivery offer that is responsive to the needs of the CSWS to minimize a waste delivery shortfall in accordance with Internal Management Procedure No. 410 to ensure the desired optimal operation of the facility, substantially as discussed and presented at this meeting, and;

FURTHER RESOLVED: that the President is authorized to select the Spot Waste delivery offer from Eastern Transfer Station, LLC. for delivery of MSW to Covanta Sustainable Solutions, LLC; substantially as presented and discussed at this meeting.

Mr. Daley noted that this solicitation exceeds \$50,000 and requires a super majority vote which we do not have present at this meeting so the item will need to be tabled. Mr. Daley briefed the directors present noting that MIRA undertook a solicitation for spot waste as permitted in our procedures for market driven purchases. He said we essentially have a shortage of waste delivered to Preston that is causing potential delivery penalties that we are trying to mitigate by awarding 280 tons per week to the Eastern Transfer Station at a price of \$75 per ton direct to Preston on our account which requires no handling by MIRA. This effectively cuts our potential penalty in half which results in total savings of \$86,700. Mr. Daley again noted the item needs to be tabled since we do not have a super majority present but we are required to report these market driven purchases as soon as possible which we are doing at this meeting.

The motion previously made and seconded was tabled.

4. **REPORT ON PRESENTATION OF SOUTH MEADOWS PROPERTY TRANSFER, SITE ASSESSMENT AND REMEDIATION**

Vice Chairman Hayden requested a report on the aforementioned presentation. Committee Chairman Mone deferred to Mr. Daley.

Mr. Daley noted that in this presentation we are following up on three items from our initial presentation last month that laid out the background of our prior remediation work at the site. He said the first item concerns the background and rationale for remediation to the industrial / commercial standard. Mr. Daley noted he discussed this with Ann Catino and the remediation standard reflects the zoning of the site at the time and it was part of the consideration for the overall transaction when MIRA acquired the property in the spring of 2001. At that time MIRA agreed to pay \$10 million for the site with the expectation it would be remediated under the transfer act to the industrial / commercial standard at a cost of \$26 million. He said the remediation plan presumed continued use of the property for its then current energy generation purposes but there was a small area identified for potential office / residential use. The remediation plan was based on phase I and II environmental assessments conducted prior to the

acquisition that informed the scope and cost of remediation. Mr. Daley added that these initial assessments included 466 soil and groundwater test borings that were conducted and are documented in the presentation as the second follow up from our first meeting. Mr. Daley also noted that the borings are now mapped and we have also included mapping of the CL&P easements as the third follow up item. Mr. Daley noted that our next step here will be to follow up further in documenting the remediation insurance that remains in place, the development plan underlying the scope of work for the remediation, the current Area 33-3 remediation work and the post closure care obligations under the remediation contract. Mr. Daley requested that Chris Shepard go through the full presentation for the directors. Mr. Shepard reviewed the details of the property transfer and transfer act requirements, environmental due diligence undertaken by both parties including the site assessments, soil and groundwater samples, the development plan, easements and scope of remediation, the Conceptual Site Model and final remediation work to be conducted shortly in Area 3-3 . The directors discussed various aspects of the background and remediation and Mr. Shepard responded to questions from the directors.

5. REPORT ON PRESENTATION OF SOUTH MEADOWS WTE FACILITY SHUT DOWN AND ENERGY CONSUMPTION

Vice Chairman Hayden a report on the aforementioned presentation.

Mr. Daley reminded the Board that our general plan for this Committee is to document the prior efforts and status of the transfer act remediation but also the current steps taken to properly shut down the plant which logically led us to our efforts to reduce energy consumption. Dave Bodendorf took the Committee through these shut down efforts which I will summarize and then turn over to Dave for a full discussion. Mr. Daley also noted that a third stage of the Committee's work is then to document what will be done in the formal closure once that is approved by DEEP, and then we can hopefully move on to the review of possible future uses of the site.

Mr. Daley summarized the aforementioned presentation as documenting the cessation of waste deliveries and combustion, removal of ash and equipment oils from the site removing radioactive devices and ultimately reducing energy consumption at the site. He said the takebacks from this presentation included the scheduling of a tour of the facility for interested directors which will occur tomorrow, and there may be interest in a tour from DEEP and key legislators which we will make available. He said an additional takeback reflected an offer of assistance on the energy consumption issue from Director Soderman based on his energy industry expertise which we are taking advantage of.

Mr. Daley requested that Dave Bodendorf review the full presentation with the Board. Mr. Bodendorf reviewed the completion of waste deliveries, processing of waste into refuse derived fuel, cessation of combustion and shipments of ash from the facility, tasks completed after facility shut down, the process, status and next steps for reducing energy consumption at the site. The directors discussed various aspects of the shut down and Mr. Bodendorf responded to questions from the directors.

6. CHAIRMAN'S AND PRESIDENT'S REPORT

Vice Chairman Hayden noted that the OS&HR Committee met this morning to review the renewal of health plans which will be brought to the May or June Board and requested Mr. Daley provide the President's report. Mr. Daley stated he had a number of items he would go through quickly.

Mr. Daley noted that MIRA participated in the Ct Recyclers Coalition annual meeting this past Monday. He noted his participation in a panel discussion including the OPM Secretary and DEEP Deputy Commissioner on the future of MIRA and Connecticut's waste.

Mr. Daley noted the South Meadows Tour set up for tomorrow which will be made available to DEEP, legislators or and other directors.

Mr. Daley further noted today's attendance of and possible appointment of Dan Jerram by Senate Republican Leader Kevin Kelly to fill Don Stein's seat.

Mr. Daley noted that the State audit for FY 2021 and FY 2022 is now underway and we are providing the auditors all requested information.

Mr. Daley further noted MIRA has provided proposed changes to HB 6664 and the presentation material provided to legislators to the Governor's Chief of Staff.

Mr. Daley stated we are in the process of renewing our Property / Casualty insurance policies which expire June 30. He said a super majority will be required for this action and we are targeting the May Board. Otherwise this will need to be done at the June Board. Mr. Daley added that the health insurance renewals are on the same schedule.

Mr. Daley stated a third item that will require a super majority is MIRA award of outside legal counsel contracts. He said we have received qualifications packages and the Finance Committee agreed that Mr. Guzowski and Daley will form the evaluation committee with input from Finance Committee members as desired.

Mr. Daley also noted the current status of our Golf Center lease in Shelton which is expiring April 30. He said MIRA has notified the tenant of its hold over tenancy requirements and expects a completed appraisal by the end of the month to potentially sell the property of lease it at market value. Director Hunter inquired as to MIRA's ability to use a consent agenda. Mr. Daley stated he did not believe that was incorporated in our bylaws but would check. Ann Catino agreed to review the bylaws for this. Director Assard inquired if the bylaws could be changed. Mr. Daley stated the \$50,000 threshold issue was statutory but other aspects of the bylaws reflecting Board preferences could be modified.

Mr. Daley informed the board of a request received from CWPM to use a bay at the Essex Transfer Station for recycling deliveries from a town that previously opted out of MIRA. He said this accommodation would be more attractive if it involved MSW that would reduce our exposure to Covanta delivery shortfalls which CWPM was not interested in. He said the request

would be memorialized and brought to Finance Committee to determine if there is interest in proceeding. Director Hunter inquired as to the extent of duration of the accommodation. Mr. Daley stated it would likely be for the term of the transfer station operator contract with a termination if the area was needed back by MIRA.

Mr. Daley summarized MIRA's financial performance for the period ending February 28, 2023. He said the Property Division has generated total operating income of \$5.59 million year to date which is \$1.78 million or 46.6% above budget. He added that the CSWS has incurred a year to date operating loss of \$5.3 million which is \$246 thousand worse than budget. The CSWS transition contingency is adequate to accommodate the higher operating loss driven by the early shut down.

Mr. Daley stated that waste deliveries remained under budget due to diversion of CSWS waste. MIRA has followed up with DEEP on its prior requests for enforcement assistance and is now pursuing additional possible remedies.

Mr. Daley added that, in terms of cash flow, the Property Division generated sufficient receipts to transfer \$22 thousand to the Property Division General Fund since we reached the cap on distributions to the tip fee stabilization fund. The Property Division's operating account increased by \$663 thousand this past month. The CSWS drew \$599 thousand from the tip fee stabilization fund in support of its operations.

Mr. Daley added that the Finance Committee has now had its first look at the purchasing reports previously assigned to the P&P Committee.

7. ADJOURNMENT

Vice Chairman Hayden requested a motion to adjourn AT 10:51. The motion was made by Director Assard and seconded by Director Hunter. The motion was approved as follows:

Directors	Aye	Nay	Abstain
Vice Chairman Hayden	X		
Carl Fortuna	X		
Bert Hunter	X		
Sue Weisselberg (Not in attendance)			
Ed Mone	X		
Leonard Assard	X		
Dave Steuber	X		
Rich Soderman (Not in attendance)			

Ad Hoc Members	Aye	Nay	Abstain
Luke Bronin (Not in attendance)			