

**CSWS TRANSITION COMMITTEE OF THE MIRA DISSOLUTION AUTHORITY**

**MINUTES OF NOVEMBER 30, 2023 MEETING**

**ATTACHMENT 1**

A meeting of the CSWS Transition Committee of the MIRA Dissolution Authority Board of Directors was held in person and via Zoom on Thursday, November 30, 2023. Present in person or via audio or video conferencing were:

Appointed Directors who are members of the Committee:

Committee Chairman Carl Fortuna via Zoom  
Board Chairman Bert Hunter (Ex Officio) via Zoom  
Joseph DeNicola  
Bill Beccaro via Zoom

Present from the MIRA Dissolution Authority (“Authority”):

Mark Daley, President & CFO via Zoom  
Thomas Gaffey, Director of Recycling & Enforcement  
Cheryl Kaminsky, Comptroller via Zoom

Others Present via Zoom:

Don Stein, First Selectman of Barkhamsted  
Robert Phillips, Executive Director of the Northwest Hills COG  
Todd Arcelaschi, Administrator of RRDD1  
Brian Popovich, USA Recycle

The meeting was recorded via Zoom conferencing and is posted on the Authority’s website at <https://www.ctmira.org/mira-dissolution-authority-csws-transition-committee> .

**1. Call to Order, Chair’s Welcome, Roll Call & Confirmation of Quorum, Agenda Item 1**

Committee Chairman Fortuna called the meeting officially to order at 11:00 A.M. and stated that Director DeNicola was present in the room and Director Beccaro was also on-line, which represents a quorum.

**2. Request for Public Comment, Agenda Item 2**

Committee Chairman Fortuna asked if there was any member of the public who wished to comment. No member of the public requested to comment.

**3. Review and approve Minutes of the November 2, 2023 meeting, Agenda Item 3, (Attachment 1)**

Committee Chairman Fortuna asked for a motion to approve the minutes. Director Beccaro made a motion to approve the minutes, which was seconded by Director DeNicola. The motion passed unanimously.

**4. Additional Discussion on Threshold Issues for the Transfer of CSWS Operations - Agenda Item 4: Grant Funding to Stand Up Regions; Parties to Assume Control of Transfer Stations; Use of Reserves to Support CSWS; Key Objective of Transferring Control of Transfer Stations and; Analyses & Information to be Requested of CSWS Participating Municipalities, Agenda Item 4, (Attachment 2)**

Committee Chairman Fortuna asked Director DeNicola for any update on the DEEP grant process. Director DeNicola stated that the CT DEEP notified all of the applicants for grants to assist in establishing regional waste authorities their determination that was made during the prior week. Director DeNicola said that five Council of Governments, (COGs), had been awarded grants and four applicants were not selected. Director DeNicola identified the five successful COGs as:

CT River Valley COG  
Capitol Region COG  
Western CT COG (Fairfield County area)  
South Central CT Regional COG (New Haven area)  
Naugatuck Valley COG

Committee Chairman Fortuna asked Director DeNicola if he knew what the amounts of the grants were awarded to each COG. Director DeNicola responded that DEEP will be doing a press release shortly announcing the grant awards. He said that DEEP has not publicly announced the award amounts but each of the COGs were notified of their grant amount. Director DeNicola added that he hoped that making the awards will go expeditiously but contracting with the State of CT is a process. He stated that DEEP has draft contracts prepared but how long it will take to get from draft to a final contract is hard to say but maybe early next year the process will be completed.

Committee Chairman Fortuna responded that he appreciated the good news and thanked Director DeNicola for his update.

Committee Chairman Fortuna asked Mr. Daley to discuss the parties to assume control of the transfer stations located in Essex and Torrington. Mr. Daley responded that part of the initial threshold issues is to identify who the Authority would begin negotiations with to transfer control.

Mr. Daley said that it is clear in the Essex Transfer Station that management would be speaking with the Town of Essex and probably also the Town of Old Saybrook. He said that it has not been as clear with respect to the Torrington Transfer Station. Mr. Daley recapped how Authority management had invited officials from the Northwest COG, RRDD1, Sharon/Salisbury Transfer station, and the Mayor and Public Works Director

from the City of Torrington. He said that the Authority did get an expression of interest from the City of Torrington to start discussion about taking over control of the Torrington Transfer Station.

Mr. Daley added that both the representatives from RRDD1 and the Sharon/ Salisbury transfer station both said that they did not believe that it would be feasible to join a region if it didn't include Torrington. Mr. Daley said that he and Mr. Gaffey wanted to confirm with the Committee today that they begin the transfer process by initiating discussions with officials from the Town of Essex and City of Torrington. He said that conceptually that the Authority is focusing on these two municipalities since they essentially could assume control of these two transfer stations as a municipality, maintain flow control and simultaneously work with other communities using the DEEP grant funds to form regions.

Mr. Daley said that he considering the concept that the two municipalities may be able to assume control of the two transfer stations prior to the regional waste authorities being finalized so that the Authority was not in a pause mode waiting for regions to be ready. Mr. Daley acknowledge that in negotiations with Essex and Torrington, The Authority would need to make sure that the two municipalities would be made whole as the remaining municipalities would continue to work on formalizing the respective regions. He said that the main issue to come to consensus on is who management is going to talk to, in particular with the City of Torrington since they are the host community and did express interest.

Committee Chairman Fortuna asked Mr. Daley what the next steps are with Torrington and that region.

Mr. Daley stated that management is working on a communication to all towns on all relevant issues related to transfer of these facilities. He suggested that there be a separate communication to the Town of Essex and City of Torrington of the Authority's desire and intent to begin discussions with each of those communities regarding transfer and ultimate control of these facilities. Mr. Daley added that in the letter to Essex and Torrington the Authority would have to state the threshold issues that the Authority is dealing with internally to achieve the transfer of the facilities including, primarily, the use of reserves to facilitate transfer of control and assumption by each host municipality of the Authority obligations including the Transfer and Disposal contract, Transfer Station Operation & Maintenance Contract and the Municipal Service Agreements.

Committee Chairman Fortuna acknowledged Mr. Daley's concept and recounted how Essex owns the land where the Authority's transfer station is located. He asked Mr. Daley if his intention was to reach out to Essex First Selectman and State Senator Norm Needleman to enter into negotiations on the transfer. Mr. Daley responded that the Authority management would reach out to Senator Needleman and state the threshold issues that are being considered internally. He said that the key objective was to transfer all of the agreements to be honored by the host community by using CSWS reserves to keep the municipality whole.

Committee Chairman Fortuna stated that Senator Needleman had threshold issues that he would also like to discuss with the Authority. Committee Chairman Fortuna said that if the Authority were able to transfer these facilities and associated contracts at a similar or lower costs, it would be a win-win.

Committee Chairman Fortuna asked about the status of the draft letter to the CSWS municipalities. Mr. Daley responded that he has edited the letter to shorten it and sent out a second draft for review to Board Chairman Hunter along with Committee Chairmen Fortuna and Director Harrington.

Committee Chairman Fortuna recommended that the regions go out for request for proposals in lieu of individual municipalities issuing RFP's since that is a resource intensive effort. He asked Mr. Daley if there was anything else that he wanted to bring to the table.

Mr. Daley responded that the last point to be addressed is the analyses and request for information from the CSWS towns. He said that the letter going out to the towns includes two parts to this request. One is for all the towns to document the previous RFP effort that they went through when MIRA went through the transition to waste transfer mode. He said that the second part is for the towns to conduct a new RFP to see what the current pricing is for transportation and disposal.

Mr. Daley reminded the committee members that at the Board meeting, the presumption and premise were that the towns may be able to get a better price than what the Authority charges currently. He said that if the towns received better pricing then the towns could opt out their Municipal Services Agreement and the Authority would terminate existing contracts governing operation of the transfer stations and transportation and disposal.

Mr. Daley pointed out that the risk associated with that option is that some towns may get a better price but not all towns. That would make current operations far less efficient than they already are. He said that concern is what led him to believe that the best option is for a municipality or a regional entity to accept assignment of all the current vendor operation and maintenance contracts at the Torrington and Essex transfer stations as well as the municipal service agreements, disposal contracts and the recycling contract through June 30, 2027.

Chairman Hunter discussed the two distinct situations between the Torrington towns and the Essex towns. He stated that the put-or-pay arrangement that the Essex towns has with Covanta includes termination clause of that existing contract which is punitive.

Mr. Daley agreed and said that the structure of the agreements in Essex and Torrington are different but both agreements have termination costs with Essex being more costly. Mr. Daley also pointed out that if Covanta wins a subsequent disposal RFP they may or may not agree that it relieves the Authority from the obligations of our current contract.

Committee Chairman Fortuna stated that is the major concern unless the Authority agrees to pay the termination fee from its reserves and the towns are held harmless.

There was further discussion on the distinction between the Essex and Torrington contracts.

Mr. Stein requested that officials from the Authority attend a Northwest COG meeting to present to the users of the Torrington facility what the future may bring. Mr. Daley agreed to communicate with the COG and stated that his main goal here today was to confirm the City of Torrington expressed interest in assuming the operation of the Torrington transfer station.

Mr. Phillips agreed that it would be very beneficial that a representative from the Authority attend their meeting scheduled for December 14<sup>th</sup>.

Director Beccaro discussed the distinctions between the Essex and Torrington transfer station including the fact that Essex owns the land which should make the transition there faster.

Committee Chairman Fortuna agreed that the Essex transfer station is certainly a cleaner handoff.

Mr. Arcelaschi stated that RDD1 and Sharon/Salisbury would like to take on a bigger role in the transition of the Torrington transfer station but they don't have the staff necessary to do so unlike the City of Torrington which does.

#### **Next Steps - Agenda Item 5**

Mr. Daley stated that in order for the Committee to proceed the main issue is to achieve consensus at the Board level on utilization of reserves to effectuate the transfer of these facilities. Until that occurs the Committee has really hit a pause on the committee meetings until the major threshold issues are resolved by the full Board.

Board Chairman Hunter suggested that a framework be hammered out between this Committee and the Finance Committee on the question of use of reserves to subsidize transitions prior to advancing this main threshold issue to the full Board of Directors.

Director DeNicola emphasized that it is important to have direct communication with the Town of Essex and City of Torrington to make sure that they are viable counter parties for transferring these facilities. He further emphasized that both of these municipalities need to be fully informed of contract obligations and what it would take to step into the Authority's shoes to see if they would continue to be interested.

Committee Chairman Fortuna stated the need for the Board of Directors to agree on a budget soon for the Authority and he is assuming that the tip fee stabilization stays in place for the next two years.

Committee Chairman Fortuna asked what was being done with regard to clarifying the ability to use tip fee stabilization funds going forward. Mr. Daley said that it is possible that may be included in the corrections to Public Act 23-170 in the next legislative session.

Director Beccaro stated that he is interested in hearing from Authority management and fellow Directors what their position is on making revisions to the Act regarding tip fee stabilization going forward so he can communicate the need to make changes in the next legislative session.

There being no further discussion, Committee Chairman Fortuna asked for a motion to adjourn the meeting. Director Beccaro made the motion and it was seconded by Director DeNicola. Meeting was adjourned at 11:43 AM.