



Dissolution Authority

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October 17, 2024

The Honorable Ned Lamont
Governor
State of Connecticut
Executive Chambers
State Capitol
Hartford, CT 06106

**RE: Connecticut General Statutes, Section 1-123(a)
Materials Innovation and Recycling Authority - Annual Report Requirements – Fiscal
Year 2024**

Dear Governor Lamont:

As you know, Public Act 23-170 created the MIRA Dissolution Authority (The “Authority”) as successor to the Materials Innovation and Recycling Authority (MIRA). The Authority replaced MIRA effective July 1, 2023 and is charged with undertaking and completing any action commenced by MIRA. The Authority is pleased to submit MIRA’s fiscal year 2023 annual reporting requirements as provided under Section 1-123(a) of the Connecticut General Statutes (“CGS”). Also enclosed is the independent audited Annual Financial Report of MIRA for the Years Ended June 30, 2024 and 2023.

MIRA’s annual reporting requirements are summarized in the table below. The Authority’s initiatives to implement the MIRA dissolution process envisioned in Public Act 23-170 are outlined in section 7 concerning planned activities.

Required Submission under CGS Section 1-123(a):	Item #
(1) A list of all bond issues for the preceding fiscal year, including, for each such issue, the financial advisor and underwriters, whether the issue was competitive, negotiated or privately placed, and the issue's face value and net proceeds;	1
(2) A list of all projects other than those pertaining to owner-occupied housing or student loans receiving financial assistance during the preceding fiscal year, including each project's purpose, location, and the amount of funds provided by the agency;	2
(3) A list of all outside individuals and firms receiving in excess of five thousand dollars in the form of loans, grants or payments for services, except for individuals receiving loans for owner-occupied housing and education;	3
(4) A complete set of financial statements;	4
(5) The cumulative value of all bonds issued, the value of outstanding bonds, and the amount of the state's contingent liability;	5
(6) The affirmative action policy statement, a description of the composition of the agency's work force by race, sex, and occupation and a description of the agency's affirmative action efforts; and	6
(7) A description of planned activities for the current fiscal year.	7

Please contact me if you have any questions or concerns regarding this submission.

Best Regards,



Mark Daley
President

Enclosure: Audited Annual Financial Report

cc: State Auditors of Public Accounts
Cheryl Kaminsky, Comptroller (w/o enclosure)



Dissolution Authority

MIRA DISSOLUTION AUTHORITY

A Component Unit of the State of Connecticut

CT GENERAL STATUTES SECTION 1-123(a)

ANNUAL REPORT

FOR

FISCAL YEAR ENDING JUNE 30, 2024

1. BONDS ISSUED DURING FISCAL YEAR 2024

No bonds were issued by the Authority during fiscal year 2024.

2. FINANCIAL ASSISTANCE PROVIDED DURING FISCAL YEAR 2024

The Authority did not provide any financial assistance¹ during Fiscal Year 2024.

¹Excludes inter-fund transfers among MIRA projects / divisions.

3. VENDORS PAID \$5,000 OR MORE DURING FISCAL YEAR 2024

VN27	A J BELLVEAU RAILROAD CONSTRUCTION INC	\$ 23,600.00
VN14	ADP LLC	\$ 12,166.10
VN1356	AIR TEMP MECHANICAL SERVICES INC	\$ 22,233.10
VN2391	AMERESCO INC	\$ 10,232.73
VN20	ANALYTICAL CONSULTING TECH INC	\$ 9,869.38
VN1459	ANTHEM BCBS	\$ 273,353.35
VN2456	ASSUREDPARTNERS NEW ENGLAND INC	\$ 7,500.00
VN23	B G MECHANICAL SERVICE INC	\$ 13,963.09
VN2438	BEECHER CARLSON HOLDINGS INC	\$ 718,155.33
VN340	CDW GOVERNMENT	\$ 12,654.52
VN2462	CHARTER OAK BUILDING MAINTENANCE INC	\$ 9,639.08
VN1185	COHN BIRNBAUM & SHEA PC	\$ 8,959.00
VN63	CONNECTICUT NATURAL GAS	\$ 31,463.06
VN2435	COVANTA ENERGY LLC	\$ 3,230,663.82
VN2382	CROWN CASTLE FIBER LLC	\$ 9,612.00
VN77	CT STATE OF DEPARTMENT OF ENERGY	\$ 41,511.88
VN996	CWPM LLC	\$ 1,589,072.59
VN234	ENVIRO EXPRESS INC	\$ 2,773,010.27
VN320	EPICOR SOFTWARE CORPORATION	\$ 43,251.99
VN536	ESSEX TOWN OF	\$ 43,441.85
VN2290	EVERSOURCE ENERGY	\$ 411,966.41
VN774	FIDELITY INVESTMENTS	\$ 290,906.42
VN2463	FIRESTONE COMPLETE AUTO CARE	\$ 5,943.87
VN1401	FRANKSON FENCE COMPANY, THE	\$ 7,057.10
VN2285	FRONTIER	\$ 20,961.43
VN2367	HALLMARK TOTALTECH INC	\$ 13,640.00
VN470	HALLORAN SAGE	\$ 177,828.39
VN107	HARTFORD CITY OF TREASURER	\$ 1,500,000.00
VN112	HARTFORD SPRINKLER CO INC	\$ 15,635.60
VN1866	HOOKER & HOLCOMBE INVESTMENT ADVISORS IN	\$ 7,133.00
VN1331	ISO NEW ENGLAND INC	\$ 17,609.05
VN2410	JOHNSON CONTROLS FIRE PROTECTION LP	\$ 8,999.35
VN1239	KAINEN ESCALERA & MCHALE PC	\$ 13,996.80
VN2466	MECHANICAL MANUFACTURING CORP	\$ 12,418.11
VN145	METROPOLITAN DISTRICT, THE	\$ 54,917.68
VN1220	METTLER TOLEDO INTERNATIONAL INC	\$ 41,444.95
VN1268	MURPHY ROAD RECYCLING	\$ 1,178,000.43
VN2427	N-ABLE TECHNOLOGIES LTD	\$ 7,938.00
VN2161	NAES CORPORATION	\$ 680,527.09
VN2190	NEXTERA ENERGY POWER MARKETING LLC	\$ 96,179.90
VN1517	PRIMARY LANDSCAPING LLC	\$ 18,945.00
VN186	PRINCIPLE LIFE INSURANCE COMPANY	\$ 45,628.80
VN2435	REORLD WASTE LLC	\$ 593,943.13
VN2431	SECOUR ENTERPRISES LLC	\$ 13,001.01
VN2106	SNI COMPANIES	\$ 16,409.25
VN204	SONITROL NEW ENGLAND	\$ 38,201.56
VN2297	TASCA AUTOMOTIVE GROUP INC	\$ 5,746.95
VN526	TORRINGTON CITY OF	\$ 18,835.52
VN214	TRC COMPANIES INC	\$ 41,442.93
VN363	TULL BROTHERS INC	\$ 33,137.71
VN2451	UNITED SECURITY	\$ 149,440.95
VN2474	USI ADVISORS INC	\$ 7,205.00
VN769	VERIZON WIRELESS	\$ 12,626.66
VN2453	VIMINI VALUATION SERVICES LLC	\$ 20,325.00
VN2257	WAGeworks, INC.	\$ 6,096.86
VN2383	WEX BANK	\$ 12,125.08
VN2419	WHITTLESEY PC	\$ 41,000.00
VN2258	WILLIAM B MEYER	\$ 8,344.50

4. FINANCIAL STATEMENTS AS OF JUNE 30, 2024

MIRA Dissolution Authority
A Component Unit of the State of Connecticut
STATEMENTS OF NET POSITION
AS OF JUNE 30, 2024 AND JUNE 30, 2023
(Dollars in Thousands)

EXHIBIT I
Page 1 of 2

	2024	2023
ASSETS		
CURRENT ASSETS		
Unrestricted Assets:		
Cash and cash equivalents	\$ 50,860	\$ 55,880
Accounts receivable, net of allowances	7,010	7,566
Inventory	-	6,403
Prepaid expenses	-	-
Total Unrestricted Assets	57,870	69,849
Restricted Assets:		
Cash and cash equivalents	263	233
TOTAL CURRENT ASSETS	58,133	70,082
NON-CURRENT ASSETS		
Capital Assets:		
Depreciable, net	2,195	2,700
Nondepreciable	31,563	26,239
Total Capital Assets	33,758	28,939
TOTAL NON-CURRENT ASSETS	33,758	28,939
TOTAL ASSETS	91,891	99,021

The accompanying notes are an integral part of these financial statements

MIRA Dissolution Authority
A Component Unit of the State of Connecticut
STATEMENTS OF NET POSITION (Continued)
AS OF JUNE 30, 2024 AND JUNE 30, 2023
(Dollars in Thousands)

EXHIBIT I
Page 2 of 2

	2024	2023
LIABILITIES		
CURRENT LIABILITIES		
Payable from Unrestricted Assets:		
Accounts payable	\$ 862	\$ 1,003
Accrued expenses and other current liabilities	7,736	5,081
Unearned revenue	-	-
Total Payable from Unrestricted Assets	8,598	6,084
Payable from Restricted Assets:		
Accrued expenses and other current liabilities	252	223
TOTAL CURRENT LIABILITIES	8,850	6,307
LONG-TERM LIABILITIES		
Payable from Unrestricted Assets:		
Lease payable	44	58
Other liabilities	-	-
Total Payable from Unrestricted Assets	44	58
TOTAL LONG-TERM LIABILITIES	44	58
DEFERRED INFLOWS	3,276	3,496
TOTAL LIABILITIES AND DEFERRED INFLOWS	12,170	9,861
NET POSITION		
Net investment in capital assets		
Restricted	25,114	28,881
Town of Ellington-Trust	11	10
Unrestricted	54,596	60,269
TOTAL NET POSITION	\$ 79,721	\$ 89,160

The accompanying notes are an integral part of these financial statements

MIRA Dissolution Authority
A Component Unit of the State of Connecticut
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023
(Dollars in Thousands)

EXHIBIT II

	2024	2023
Operating Revenues		
Service charges:		
Members	\$ 6,373	\$ 5,860
Others	120	217
Energy sales	587	13,857
Other	288	274
Total Operating Revenues	7,368	20,208
Operating Expenses		
Solid waste operations	15,339	18,465
Maintenance and utilities	756	1,950
Legal services - external	105	146
Administrative and Operational services	2,387	3,185
Total Operating Expenses	18,587	23,746
Operating Income before depreciation and amortization	(11,219)	(3,538)
Depreciation and amortization	519	1,777
Operating Profit	(11,738)	(5,315)
Non-Operating Revenues (Expenses)		
Investment income	2,905	2,139
Settlement income	-	250
Settlement expenses, net	-	-
Distributions to towns	-	-
Other revenues (expenses), net	(606)	(2)
Total Non-Operating Revenues (Expenses), Net	2,299	2,387
Change in Net Position	(9,439)	(2,928)
Total Net Position, beginning of year	89,160	92,088
Total Net Position, end of year	\$ 79,721	\$ 89,160

The accompanying notes are an integral part of these financial statements

MIRA Dissolution Authority
A Component Unit of the State of Connecticut
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023
(Dollars in Thousands)

EXHIBIT III

	2024	2023
Cash Flows Provided by (Used in) Operating Activities		
Payments received from providing services	\$ 7,758	\$ 26,639
Payments to suppliers and employees	(15,044)	(29,205)
Payments to other Funds	-	-
Distributions to towns	-	-
Settlement income (expenses)	219	250
Net Cash Provided by Operating Activities	(7,067)	(2,316)
Cash Flows Provided by Investing Activities		
Interest on investments	2,905	2,142
Net Cash Provided by Investing Activities	2,905	2,142
Cash Flows Provided by (Used in) Capital and Related Financing Activities		
Proceeds from sales of equipment	(14)	(496)
Payment of principal on lease liability	-	-
Interest paid on long-term debt	-	-
Principal paid on long-term debt	-	-
Net Cash Used in Capital and Related Financing Activities	(14)	(496)
Cash Flows Used by Non-Capital Financing Activities		
Other interest and fees	(814)	-
Net Cash Used by Non-Capital Financing Activities	(814)	-
Net Increase in Cash and Cash Equivalents	(4,990)	(670)
Cash and Cash Equivalents, beginning of year	56,113	56,783
Cash and Cash Equivalents, end of year	\$ 51,123	\$ 56,113
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:		
Operating loss	\$ (11,738)	\$ (5,315)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation of capital assets	519	1,777
Other income (expenses), net	208	245
Changes in assets and liabilities, net of transfers:		
(Increase) decrease in:		
Accounts receivable, net	555	4,369
Inventory	1,078	(534)
Prepaid expenses	-	2,331
Increase (decrease) in:		
Accounts payable, accrued expenses and other liabilities	2,311	(5,189)
Net Cash Provided by Operating Activities	\$ (7,067)	\$ (2,316)

The accompanying notes are an integral part of these financial statements

5. BOND STATUS AS OF JUNE 30, 2024

As of June 30, 2024, the Authority had no outstanding long-term debt carried on its books.

6. AFFIRMATIVE ACTION POLICY STATEMENT

**Materials Innovation and Recycling Authority
Ethnic Composition of Total Work Force
Summary of EEOC Report
Updated June 30, 2024**

	Males								Females							
	TOTAL	Total Males	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Other Pacific Islander	Two or More Races	Total Females	White	Black or African American	Hispanic or Latino	Asian	Asian Indian	Native Hawaiian or Other Pacific Islander	Two or More Races
Executive Managerial	3 21.4%	2 14.3%	2 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 7.1%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Technicians	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Sales Workers	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Professionals	5 35.7%	4 28.6%	4 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 7.1%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Office and Clerical	6 42.9%	3 21.4%	3 21.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	3 21.4%	1 7.1%	1 7.1%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
TOTALS	14 100.0%	9 64.3%	9 64.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	5 35.7%	3 21.4%	1 7.1%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%



Dissolution Authority

**EQUAL EMPLOYMENT OPPORTUNITY
AND
AFFIRMATIVE ACTION
STATEMENT AND PLAN**

**ADOPTED by CRRA– NOVEMBER 14, 2003
MIRA Dissolution Authority is MIRA's successor
MIRA was CRRA's successor**

EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION STATEMENT AND PLAN

The Materials Innovation and Recycling Authority (MIRA) is an equal opportunity and affirmative action employer, dedicated to a policy of nondiscrimination in employment on any basis prohibited by law. It is the MIRA's policy to provide equal employment and advancement opportunities to all individuals without regard to age, sex, race, color, religion, national origin, marital status, veteran status, disability, sexual orientation or any other legally protected status, and to maintain an environment free from discrimination or harassment based upon these grounds.

The MIRA is committed to providing equal opportunities in terms of its recruiting and hiring practices, including without limitation, by notifying its recruitment sources of the MIRA's nondiscrimination policies and by placing "help-wanted" advertisements containing the phrase "An Equal Opportunity Employer." The MIRA is also committed to providing equal opportunities to its employees in all of its employment practices, including but not limited to compensation, training, transfers, promotions and disciplinary procedures, and in the provision of all of its employee benefit programs. Personnel decisions will be made on the basis of the needs of the MIRA and an individual's job-related skills, ability and merit.

The MIRA further pledges its strong commitment to ensure that all contractors and subcontractors who do business with the MIRA provide equal opportunities in employment to all qualified persons solely on the basis of job-related skills, ability and merit. The participation of minority business enterprises meeting qualifications established by applicable regulations shall further be solicited and encouraged.

The MIRA shall include an equal opportunity clause in all of its contracts and shall not enter into any contract with any person, agency or organization if it has knowledge that such person, agency or organization engages in unlawful discriminatory practices.

The MIRA further pledges that all MIRA-sponsored training and social and recreational programs will be administered without regard to any legally protected status.

As part of its commitment to equal opportunities, the MIRA expects all of its employees to adhere to this policy of nondiscrimination. The MIRA will take prompt action upon the receipt of a complaint of unlawful discrimination and will take appropriate corrective action, including disciplinary measures if necessary, to remedy any discriminatory conduct. Complaints should be referred to the Human Resources Manager, who is the MIRA's designated Equal Employment Opportunity (EEO) Officer. Alternatively, employees may submit complaints to the President of the MIRA or to any manager or supervisor.

The day-to-day responsibility for administering and complying with this policy is delegated to the various department heads with respect to the employees within their respective departments. The President and the Board of Directors will provide necessary procedural guidance in the coordination and application of the policy and any changes or modifications to the policy as may be required.

The MIRA's plan for implementing its equal employment and affirmative action policy could include any or all of the following actions:

1. Attempt to hire and promote qualified female and minority candidates through efforts to increase the number of highly qualified female and minority applicants for each vacancy, with the ultimate goal that MIRA's workforce will mirror the diversity of the labor pool.
2. Attempt to reach a greater number and diversity of representative groups to notify them of employment opportunities with MIRA. Wherever possible, target the Hispanic, African-American, Asian Pacific/Islander and Native American communities by contacting organizations and educational institutions that promote the interests of such individuals.
3. Explore the creation of an internship program to create interest among minority students in career opportunities at MIRA.
4. Take the following steps to ensure that all applicants and employees are aware that MIRA is an equal opportunity employer and of MIRA's affirmative action recruitment efforts:
 - a. Publicize the Equal Employment Opportunity Statement and Affirmative Action policy in MIRA's Personnel Policy Manual and post the same on MIRA bulletin boards.
 - b. Publicize the accomplishments and/or promotions of minorities and females internally.
 - c. Assess the equal opportunity and affirmative action efforts and achievements prior to the promotion of employees or the execution of discretionary salary increases.
 - d. Conduct meetings to discuss equal employment opportunity policies and responsibilities with MIRA employees, including during employee orientation and training sessions.
 - e. Advise all recruiting sources of MIRA's Equal Employment Opportunity Statement and Affirmative Action policy.
 - f. Notify all bidders, contractors, and suppliers of MIRA's Equal Employment Opportunity Statement and Affirmative Action policy and ensure that all contracts for services and materials include a statement in which the

contractor agrees to abide by affirmative action and fair employment principles.

- g. Attend job fairs where the potential for exposure to potential female and minority applicants is high.
- h. Continue to encourage participation of minority business enterprises and not to contract with any entity debarred from participation in state or federal contract programs.
- i. Notify minority and women's organizations, community organizations, state and local employment security and vocational rehabilitation agencies, schools and colleges of MIRA's Equal Employment Opportunity Statement and Affirmative Action policy.
- j. Place advertisements for employees containing the phrase "MIRA is an Affirmative Action/Equal Opportunity Employer" within the appropriate classified section of newspapers and/or job posting websites.
- k. Send outreach letters, job postings and job descriptions to various minority organizations throughout the state to increase awareness of employment opportunities at MIRA in the region's minority communities.
- l. Conduct outreach meetings via telephone with minority organizations during the year to maintain and improve the lines of communication between MIRA and these organizations as well as increase the awareness of MIRA's affirmative action efforts throughout the state's minority communities.

Approved By: Board of Directors

P&P No.: BOD 013
Effective Date: November 11, 2003

7. FISCAL YEAR 2024 ANNUAL REPORT
PLANNED ACTIVITIES FOR FISCAL YEAR 2025

BACKGROUND

The MIRA Dissolution Authority (the “Authority”) was created pursuant to Public Act 23-170 (“the Act”) to replace the Materials Innovation and Recycling Authority (MIRA) effective July 1, 2023. The Authority’s new Board of Directors was seated in September 2023. Broadly, the purpose of the Act is to wind down MIRA’s operations and identify needs related to redeveloping certain properties (but not actions associated with the actual redevelopment of these properties). The passage of the Act and the creation of the Authority followed the July 2022 shutdown of the waste to energy facility (the “WTE Facility”) in Hartford and a transition at that time to waste transfer operations (including recycled materials).

As of July 1, 2023, the Authority assumed all of MIRA’s underlying statutory duties, authorities and capabilities, and it continues MIRA’s ongoing waste transfer operations until acceptable alternatives become available pursuant to the Act. The Authority has also been charged with additional activities related to MIRA’s dissolution. Specifically, the Authority is to identify the immediate environmental needs and knowledge necessary for future redevelopment at the site of the Authority’s now closed WTE Facility and Jet Turbine Facility in Hartford (the “South Meadows Site”), which is to include engaging representatives of Hartford and other stakeholders with respect to this process. The Authority will further wind down MIRA’s operations and activities in an orderly and responsible manner which may include the marketing and sale of surplus real and personal property. In accordance with the Act, the dissolution process concludes as early as July 1, 2025 when the Authority’s underlying statutes are repealed and the Department of Administrative Services (“DAS”) becomes the Authority’s successor, but not later than July 1, 2026 when the Authority is formally terminated. Any MIRA assets, rights, duties and obligations that remain upon conclusion of the dissolution process transfer to DAS pursuant to the Act.

The Authority’s designation as MIRA’s successor was implemented pursuant to section 4-38d of the Connecticut General Statutes which is designed to provide continuity during this type of agency transition. Specifically, the Authority’s designation as MIRA’s successor did not represent a grant of new authority by the State. The Authority replaced MIRA which (as noted above) no longer exists doing business as MIRA as of July 1, 2023. However, any effective orders or regulations of MIRA remained effective under the governance of the Authority. To the extent that MIRA was a party to any action or proceeding (civil or criminal); the Authority was substituted for MIRA in that action or proceeding. Additionally, any contract, right of action or matter undertaken or commenced by MIRA is being undertaken and completed by the Authority effective July 1, 2023. The officers and employees of MIRA were transferred to the Authority and all property of MIRA became the property of the Authority. In summary, all of MIRA’s waste transfer operations, reporting and business activities continue uninterrupted under the governance of the Authority while the dissolution process unfolds.

Prior to the Authority’s creation, MIRA completed its fiscal and contractual roles in the development and operation of the Bridgeport, Wallingford and Preston CT waste to energy facilities with the transfer of such facilities to private sector ownership and operation. MIRA also previously transferred its landfill post closure care obligations to the Department of Energy and Environmental Protection (“DEEP”). In fiscal year 2020, MIRA completed final

distribution of surplus funds associated with the “Mid Connecticut Project” to its member municipalities. Since then, MIRA primarily operated the Connecticut Solid Waste System (“CSWS”) as *the only remaining publicly controlled waste disposal option in the State*. MIRA and the CSWS functioned in that capacity through the managed shutdown of the WTE Facility, and transition to waste transfer operations, at the commencement of fiscal year 2023. Accordingly, the MIRA dissolution process focuses on certain matters related to the Future Redevelopment of the South Meadows Site; Continuing Operations until Acceptable Alternatives are Identified; and the Marketing and Sale of Surplus Real and Personal Property.

Future Redevelopment of the South Meadows Site:

The Authority, through its predecessor agencies, acquired the South Meadows site subject to Connecticut’s “Transfer Act” in 2001 triggering the need to investigate and remediate prior environmental contamination to commercial / industrial standards. A “*Verification Report*” (that the required remediation was complete) was initially submitted to DEEP in June 2018. However, additional contaminants were discovered in January 2019 causing rejection of the Verification Report. In fiscal year 2024, the final stage of remediation to commercial / industrial standards was completed by the Authority. The “Final Engineered Control Completion Statement” was submitted to DEEP in June 2024. Completion of an updated Verification Report is expected in fiscal year 2025. In addition to finalizing remediation to commercial and industrial standards:

- During fiscal year 2024, the Authority developed and following a public “request for proposals” process, contracted for the conduct of a “*South Meadows Redevelopment Considerations Study*” to address the requirement under Public Act 23-170 to identify the immediate environmental needs and knowledge necessary for future redevelopment of the South Meadows Site and to engage relevant stakeholders with respect to this process. This study examines existing environmental conditions and conceptual site considerations in order to assess the environmental needs and knowledge necessary for a range of potential future uses including, but not limited to, commercial / industrial, residential, currently permitted and mixed uses. The study commenced in June 2024 and will be completed by February 2025 (prior to DAS succeeding the Authority) for consideration in the 2025 legislative session. The Authority’s role is to develop the range of environmental requirements and costs for potential future uses, not to decide a future course of redevelopment for the Site.
- During fiscal year 2024, the Authority also continued efforts to secure approval of the WTE Facility’s “*Closure Plan*” from DEEP. The Closure Plan was initially developed and submitted to DEEP by MIRA during fiscal year 2022, as required by regulation, to document the specific steps to be undertaken to clean the WTE Facility of waste and ash residue and other environmentally sensitive materials as part of its shut down and closure. The plan has been through several rounds of comments and responses between DEEP, MIRA and now the Authority. Ultimately, during fiscal year 2024, DEEP stated their intention to await completion of the South Meadows Redevelopment Considerations Study before approving the Closure Plan.

Continuing Operations until Acceptable Alternatives are Identified:

The Authority has continued to provide its waste management services to 23 remaining CSWS participating municipalities (under contract with the Authority through June 30, 2027) through operation of its Torrington and Essex transfer stations. During fiscal year 2024, these facilities received and transferred 56,446 tons of municipal solid waste and 10,242 tons of recycling for proper processing and disposal. While these operations continue, the Authority is actively working to identify and assist in forming local governing structures to assume control of the CSWS transfer stations through the work of its CSWS Transition Committee and working groups focused specifically on each Transfer Station. These efforts will continue until acceptable alternatives are identified and become available as determined by DEEP pursuant to the Act. In addition, as part of adopting its fiscal year 2025 budgets, the Authority identified and approved certain transfer station “Projects Required in Advance of Transfer” including the conduct of Phase One Environmental Assessments, roof, tip floor and drainage system repairs necessary to cede control of these facilities in an appropriate state of repair. These projects will be completed during fiscal year 2025.

Marketing and Sale of Real and Personal Property:

The Authority has been actively engaged in the marketing and sale of its surplus real and personal property since its inception including the following initiatives. (Note: As directed by a resolution of the Authority’s Board of Directors, net receipts from the sale of the following equipment, scrap and real property are transferred to the Authority’s “South Meadows Transition Contingency Reserve” to provide funding for, amongst other things, environmental remediation activities.)

- Sale of Surplus Jet Fuel – Early in fiscal year 2024, the Authority bid, awarded and completed the sale and removal of approximately 200,000 gallons of surplus jet fuel associated with operation of the Jet Peaking Units located at the South Meadows Site.
- Sale and Recycling of Inoperable Heavy Equipment and Scrap – During fiscal year 2024, the Authority also bid and awarded the sale and removal of 22 inoperable heavy equipment units, and 26 lots of scrap metals located at the South Meadows Site. The sale and removal of all items was completed in the first quarter of fiscal year 2025.
- Auctioning of Operable Heavy Equipment - During fiscal year 2024, the Authority also bid and awarded the marketing, brokerage, sale and removal of 67 operable heavy equipment units and associated attachments and spares located at the South Meadows Site. The sale and removal of all items was completed in the first quarter of fiscal year 2025.
- Real Property Sales – During fiscal year 2024, the Authority identified five properties with the potential to attract buyers including its Watertown and Ellington transfer stations and its recycling facility located in Hartford which were no longer needed or used in operation of the CSWS, a warehouse adjacent to the recycling facility, and a developed parcel adjacent to the Shelton landfill. These properties were appraised; the Authority contracted commercial brokerage services and listed the properties for sale where applicable during fiscal year 2024. The first closing (for the Watertown Transfer Station) was completed in the first quarter of fiscal year 2025.

In fiscal year 2024, the Authority generated total operating revenue of \$7.37 million and incurred \$18.59 million in operating expenses before depreciation, resulting in an operating loss before depreciation of \$11.22 million. Total operating revenues decreased by \$12.84 million (63.5%) reflecting shutdown of the Authority's Jet Peaking Units. Total operating expenses before depreciation decreased by \$5.16 million (21.7%) also reflecting shutdown of the Jet Peaking Units and the Authority's consolidation generally. The Authority's loss before depreciation increased by \$7.68 million from fiscal year 2023 to fiscal year 2024. After \$0.52 million in depreciation and amortization expenses, the Authority generated an operating loss of \$11.74 million. The Authority also generated net non-operating revenue of \$2.30 million resulting in a total decrease in the Authority's net position of \$9.44 million.

The Authority's total assets decreased by \$7.13 million (7.2%) reflecting a \$11.95 million (17.1%) decrease in current assets (primarily cash and inventory) combined with a \$4.82 million (16.7%) increase in non-current assets associated with the reclassification of spare parts inventory to plant and equipment following completed shutdown of the South Meadows Site. The Authority's total liabilities increased by \$2.31 million (23.4%). The Authority's net position as of June 30, 2024 (total assets less total liabilities) was \$79.72 million which represents a \$9.44 million (10.6%) decrease from the prior year. At \$50.9 million, the Authority's unrestricted cash and cash equivalents represents the largest portion of its net position as of June 30, 2024.

PLANNED ACTIVITY FOR FISCAL YEAR 2025

Future Redevelopment of the South Meadows Site:

- Verification Report - Following submission of the "Final Engineered Control Completion Statement" to DEEP in June 2024, the Authority developed an updated Environmental Land Use Restriction (ELUR) and submitted it to DEEP for review and approval in July 2024. Once the updated ELUR is approved by DEEP and recorded on the Hartford land records, an updated Verification Report will be finalized and submitted to DEEP (expected in the fall of 2024). ***Once the Verification Report is accepted by DEEP, remediation of the South Meadows Site to commercial / industrial standards will be deemed complete.***
- South Meadows Redevelopment Considerations Study – All Study tasks and deliverables remain on schedule for completion of a DRAFT Final Study Report to be presented to the Authority's full Board of Directors at its regularly-scheduled February 2025 meeting. Upon acceptance, the Study will be provided to the State Legislature for consideration in the 2025 session.
- Closure Plan – Upon completion of the South Meadows Redevelopment Considerations Study, the Authority will seek to finalize and secure DEEP approval of the Closure Plan.
- Major Salvage Operations RFP – As part of its decision to await completion of the

South Meadows Redevelopment Considerations Study prior to approving the Closure Plan, DEEP concurred with the removal and recycling or scrapping of non-structural equipment installed in the WTE Facility. DEEP also concurred with cleaning building surfaces to a visual standard pending completion of the Study. Based on these developments, the Authority is positioned to move forward with additional RFPs for major salvage / scrap operations for Installed Equipment located at the South Meadows Site. The Authority currently anticipates completing this RFP process in time for award of a contract by the end of calendar year 2024. This will result in additional sales of personal property.

Continuing Operations Until Acceptable Alternatives are Identified

- The Authority will continue operating the Torrington and Essex Transfer Stations during fiscal year 2025 fulfilling the waste management needs of the 23 remaining CSWS municipalities that are under contract with the Authority through June 30, 2027.
- All “Projects Required in Advance of Transfer” needed to cede control of the two operating transfer stations to entities other than the Authority in an appropriate state of repair will be completed in fiscal year 2025. By the 2nd quarter of fiscal year 2025, the Authority will complete the conduct of Phase One Environmental Assessments, roof and drainage system repairs. By the 4th quarter of fiscal year 2025, the Authority will complete tip floor repairs.
- While these operations and improvements continue, the Authority will also prepare a draft proposed transfer station transition structure including estimates of the reserves required to comply with current Municipal Service Agreement provisions concerning adoption of tip fees, assignment of relevant contracts and ceding control of each transfer station to local governing entities once identified and ready.
- Training and instruction opportunities for hauler permitting, scale and enforcement operations, reporting requirements, contractor oversight, waste inspections, storm water testing and permit compliance have been identified and will be made available at the appropriate times while the Authority remains in existence.
- In the event that alternative entities other than the Authority are not identified and ready by June 30, 2025, DAS will become responsible for operation of the CSWS transfer stations effective July 1, 2025. The Authority will prepare DAS for these responsibilities pursuant to its Master Schedule and Plan for its Orderly Wind Down as discussed below.

Marketing and Sale of Real and Personal Property:

- Sale and Recycling of Inoperable Heavy Equipment and Scrap – The sale and removal of all items were completed in the first quarter of fiscal year 2025. Net receipts

transferred to the Authority's "***South Meadows Transition Contingency Reserve***" from these sales totaled \$72,843.

- Auctioning of Operable Heavy Equipment - The sale and removal of all items were completed in the first quarter of fiscal year 2025. Net receipts transferred to the ***South Meadows Transition Contingency Reserve*** from these sales totaled \$865,862.
- Watertown Transfer Station - The sale of this facility was completed in the first quarter of fiscal year 2025. Net receipts transferred to the ***South Meadows Transition Contingency Reserve*** from this sale totaled \$2,417,060.
- 211 & 171 Murphy Road Hartford – A buyer for these facilities has been identified. The sale will close in the second quarter of fiscal year 2025. Net receipts to be transferred to the ***South Meadows Transition Contingency Reserve*** from these sales are estimated at \$11,600,000.
- Ellington Transfer Station – A buyer for this facility has been identified. The sale will close by the end of fiscal year 2025 following parcel subdivision and DEEP approval requirements. Net receipts to be transferred to the ***South Meadows Transition Contingency Reserve*** from this sale are estimated at \$2,400,000.
- River Road Shelton - A potential buyer for this facility has been identified. The sale may close by the end of fiscal year 2025. Net receipts to be transferred to the ***South Meadows Transition Contingency Reserve*** from this sale are not yet estimated.
- During fiscal year 2025, the Authority will undertake an additional Request for Proposals process for the marketing, sale and removal of additional Available Equipment located at the South Meadows Site. This will include spare parts, machine shops and small tools acquired for use in operation of the South Meadows Site. This will be undertaken concurrent with the Major Salvage Operations RFP discussed above.

Orderly Wind Down Activities:

During fiscal year 2025, the Authority will develop and implement a comprehensive "Master Schedule and Plan for the Orderly Wind Down Activities of the Authority" based on a July 1, 2025 effective date of DAS succeeding the Authority (Succession Date) and future operators assuming control of the CSWS Transfer Stations (either DAS and/or local authorities currently not defined – "Future Operators"). The master schedule will address the conduct of Authority Routine Business, Authority Wind Down Activity and DAS Stand Up Activity that may reasonably be accomplished by the July 1, 2025 Succession Date:

Authority Routine Business:

The Authority will continue all routine business activities through the Succession Date including budget development and implementation, independent and State audits, insurance marketing, quarterly and annual State reporting, tax filings, processing of business transactions including receipts, payments, payroll, board financial reporting, flow of funds

management and SEEC reporting. All current operations will continue uninterrupted through the Succession Date including South Meadows operations, CSWS and other operations. As the Succession Date approaches, the Authority will provide DAS with template reports, upcoming due dates, customer and vendor account information and status, contracts and opportunities to observe and train on all relevant routine business.

Authority Wind Down Activity:

The Authority will complete major initiatives discussed above addressing the status and future redevelopment of the South Meadows Site including the Verification Report that the site is remediated to commercial and industrial standards, the South Meadows Redevelopment Considerations Study, the Closure Plan for the Resource Recovery Facility, and the Major Salvage Operations and associated RFPs. The Authority will also complete the sale and removal of inoperable heavy equipment and scrap from the site, the sale of operable heavy equipment and the sale of real property with the potential to attract buyers. The Authority will further complete projects identified as needed in advance of the transfer of the remaining CSWS transfer stations, and seek to complete a transfer to local government by the Succession Date by assisting in identifying and forming local governance and finalizing the Authority's plan for such a transfer. As the Succession Date approaches, opportunities for observation and training on these operations will be made available to DAS or Future Operators as the case may be. Lastly, commencing March 31, 2025, the Authority will implement employee separations in accordance with relevant policies outlined in its Employee Handbook, resolutions of the Board and employment agreements.

DAS Stand Up Activities:

The Authority will provide DAS with its existing organizational structure, job descriptions and incumbent information and request similar information from DAS for its staff that will be involved in this transition and future operations. All current contracts and vendor / utility arrangements will be documented and provided to DAS (or the Future Operators as applicable) for all property. Permits will also be documented and provided. As the Succession Date approaches, bank account and reserve information will be provided, the Authority will set up DAS (or the Future Operators as the case may be) with access to its IT systems they may need for future operations, and fiscal authority of DAS to control Authority funds will be established.

Relevant Financial Policies – The Authority has developed and maintains a strong policy portfolio aimed at safeguarding its assets, ensuring its financial statements, books and records are accurate and reliable, and that its financial interests and activities are planned and executed in accordance with management's expectations. Specific written policies, reviewed on a periodic basis, address accounting and financial reporting, development of the annual budget and plan of operations, cash management and daily receipts, procurement, payments and wire transfers, expense reimbursements, fixed assets & tagging, as well as signatory approval authorizations. The Authority undertakes a comprehensive annual budgeting process which reflects all operating revenues and expenses, reserve requirements and the estimated net-cost tip fee to be borne by CSWS Participating Municipalities.