

MIRA Dissolution Authority Finance Committee
February 11
Meeting Minutes

A Regular Meeting of the Finance Committee of the MIRA Dissolution Authority was held on February 11, 2025. Present in person or via video or audio conferencing were:

Committee Present: Paul Harrington (Committee Chairperson)
Bill Beccaro (via Zoom)
Matt Dayton
Dave Steuber
Bert Hunter (ex Officio – Board of Directors Chairperson in person starting at 9:45, via Zoom until then)

Other Directors Present: David Barkin
Michael Looney (via Zoom)
John Fonfara (joined for Executive Session)

Authority Staff Present; Roger Guzowski, Supply Chain Manager
Cheryl Kaminsky, Comptroller
Chris Shepard, Environmental Compliance Manager (via Zoom)
Dave Bodendorf, Manager of Engineering, Construction and Power Assets
Thomas Gaffey, Director of Recycling and Enforcement (via Zoom)
Ann Catino (General Counsel - Halloran Sage)

Note: The meeting was recorded and can be viewed at www.ctmira.org/board-documents/mira-dissolution-authority-board-documents/mira-dissolution-authority-finance-meetings

1. CALL TO ORDER

Committee Chairperson Harrington called the meeting to order at 9:32a.m.

2. MOTION TO ADD ITEM TO THE AGENDA

Committee Chair Harrington made a motion to add an item to the agenda, a Discussion Regarding Tip Fee Stabilization. The motion was seconded by Director Steuber. Chairperson Hunter inquired if this needed to be a separate agenda item rather than coming under the existing budget discussion items. Committee Chair Harrington indicated that there are particular questions that he wants to have a better understanding of separate from the budget discussion.

The motion to add this discussion between items 7 and 8 on the agenda was raised by Committee Chair Harrington, seconded by Director Steuber and was approved by roll call:

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair	X		X		
Bill Beccaro			X		
Matt Dayton			X		
Dave Steuber		X	X		

3. PUBLIC COMMENT

Committee Chair Harrington invited members of the public to address the Committee. As there was no public comment, he proceeded with the agenda.

4. REVIEW AND APPROVIE MINUTES OF JANUARY 7, 2025 MEETING

Committee Chair Harrington requested a motion to approve the minutes of the January 7, 2025 Finance Committee.

The motion was raised by Director Dayton, Seconded by Director Steuber and approved by roll call.

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair			X		
Bill Beccaro	X		X		
Matt Dayton		X	X		
Dave Steuber			X		

5. DRAFT RESOLUTION REGARDING FY25 HARTFORD PILOT AGREEMENT

Committee Chair Harrington introduced the item, noting that after reviewing this issue a few times as a Committee, the draft resolution indicates that we will be paying the City of Hartford the \$1.5 million PILOT payment that was approved in the FY25 budget. For the public’s knowledge, Chairperson Hunter requested that President Daley provide a quick summary of how we ended up back at \$1.5 million given the sale of the property and the previous discussion. Mr. Daley provided such summary, indicating that the Committee previously raised the issue of the sale of the Murphy Road properties potentially impacting the revenue that the City of Hartford would receive other than from our payment in lieu of taxes (PILOT). Mr. Daley stated that the Authority tracked that issue down with the attorneys and the Hartford Assessor and determined that the City would not receive any additional tax payments from the private sector for these properties in FY2025 and that, on that basis, the Board directed staff to proceed with the full \$1.5 million pilot payment.

The motion to approve the draft resolution was raised by Director Dayton, seconded by Director Beccaro and approved by roll call.

	Raised	Second	Yea	Nay	Abstain
--	--------	--------	-----	-----	---------

Paul Harrington, Committee Chair			X		
Bill Beccaro		X	X		
Matt Dayton	X		X		
Dave Steuber			X		

6. DRAFT RESOLUTION REGARDING NERC COMPLIANCE SERVICES WITH NAES CORPORATION.

President Daley presented this draft resolution explaining that this is a special capability resolution for NAES, the former plant operator to help us through the North American Reliability Corporation requirements for the South Meadows. Mr. Daley noted that the cost is \$15,000 for 5 months ending June 30, 2025 to address outstanding NERC compliance, mitigation and deregistration for the site and also potential issues regarding transfer of ownership.

Committee Chair Harrington asked for clarification regarding why this item was coming to the Board for approval given that it is less than \$50,000. Mr. Guzowski clarified that a special capability over \$10,000 required Board approval.

The motion to approve the draft resolution was raised by Director Dayton, seconded by Director Beccaro and approved by roll call.

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair			X		
Bill Beccaro			X		
Matt Dayton		X	X		
Dave Steuber	X		X		

7. DRAFT RESOLUTION APPROVING AGREEMENT FOR DISASSEMBLY, MARKETING, BROKERAGE, SALE AND REMOVAL OF SPARE PARTS, MACHINE SHOPS, SMALL TOOLS, AVAILABLE EQUIPMENT AND CERTAIN NON-STRUCTURAL INSTALLED EQUIPMENT LOCATED AT THE HARTFORD CONNECTICUT SOUTH MEADOWS SITE

President Daley introduced this draft resolution by reminding the Committee that in our last discussion with the Board about this issue, staff was requested to complete the process of checking references for S&S Recycling and if possible to finalize an agreement with them. Mr. Daley noted that the references came back good and Halloran and Sage worked with Roger Guzowski to finalize the agreement that is included in the package. Mr. Daley stated that the resolution provides for the award of the contract and also includes a background piece as an attachment that documents the RFP process, the results, and final agreement terms. Mr. Daley indicated that the agreement included an initial list of equipment and that additional items can be

added if desired under the terms of the Agreement. Mr. Daley specified that the deadline for the vendor to complete the initial sales is 182 days from the Commencement Date and that after that the contract can be terminated without cause on 30 day’s notice.

The motion to approve the draft resolution was raised by Director Dayton, seconded by Director Steuber, and approved by roll call.

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair			X		
Bill Beccaro			X		
Matt Dayton	X		X		
Dave Steuber		X	X		

8. DRAFT RESOLUTION EXTENDING THE AUTHORITY’S PUBLIC OFFICIALS INSURANCE POLICY

President Daley informed the Committee that this draft resolution is to extend the Authority’s public officials insurance policy. He noted that the current policies expire July 1, 2025. Mr. Daley further explained that this coverage is on a claims-made basis, basically meaning that the current coverage expires well in advance of the deadline for submission of claims by third parties. As such, Mr. Daley informed the committee that we requested and received quotes to extend the period six years on these policies. As explanation, he stated that if someone puts in a claim relating to activity up until June 30, 2025, and the claim was put in six years from now, the policy will still be in effect. Mr. Daley explained that the resolution is written to pay for the policy by authorizing the use of up to \$195,000 from the Legal Reserve.

In response to a question from Director Dayton regarding tail coverage, Mr. Daley specified that the current policy has an automatic 75-day tail provision, and then you can purchase longer coverage of various increments up to 6 years. Mr. Daley and Attorney Catino noted that 6 years covers most of the statute of limitations to make a claim.

Director Dayton stated that he would like to have DAS review the policy and weigh in if they had any concerns.

Directors Beccaro and Dayton raised questions regarding the duration of coverage and whether 6 years was sufficient. Attorney Catino explained that while hypothetically a 20 year policy would be nice, a 20 year policy does not exist in the marketplace, 6 years was the longest policy available and will cover the statute of limitations for most if not all of the claims made.

Committee Chair Harrington expressed concern regarding amount and whether \$5 million was enough coverage. Mr. Daley clarified that the policy was a \$5 million base plus a \$5 million excess. Committee Chair Harrington was satisfied with that level of coverage.

Director Dayton raised the motion to approve the draft resolution, with the caveat that DAS review the policy and bring any concerns to the full Board when they discuss this item at the Board meeting. The motion was seconded by Director Steuber and approved by roll call.

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair			X		
Bill Beccaro			X		
Matt Dayton	X		X		
Dave Steuber		X	X		

9. DISCUSSION REGARDING TIP FEE STABILIZATION

Committee Chair Harrington initiated this discussion noting that he was going through some financials, and when doing so, he noticed that in December, there was an injection of \$5.3 Million in cash into the tip fee stabilization account, but did not see any previous time that the MIRA Dissolution Authority added money to that account. As such, he inquired how that \$5.3 Million got transferred into that account. Mr. Daley said that when the municipal services agreement says to maintain the tip fee stabilization fund, that means to draw from it and to reimburse it in accordance with the Authority’s flow of funds procedure. Mr. Daley further explained that the flow-of-funds procedure, which was approved by the MIRA Board, has an annual adjustment of the operating account to 120 days cash on hand, that the two funds are designed to work together like a back and forth and that is what is reflected in that transfer.

That led to a robust discussion regarding the flow of funds procedure, the Board’s awareness or lack thereof of the flow of funds procedure, why a similar transfer was not done in December 2023, whether language in the MSA requiring the Authority to maintain the tip fee stabilization fund could be interpreted as meaning the maintenance of a certain balance within the fund, and how balance transfers are communicated to the Board, particularly if there are contractual obligations attached to a particular fund. There was additional discussion regarding the competing statutory obligations in public act 23-170 and whether they impact the flow of funds procedure such that transfers specified in the flow of funds procedure should have been further discussed with the full Board. There was additional conversation regarding the difference between the initial projection in the MSA’s as to where the balance of tip fee stabilization was expected to be in FY26 and why the balance is greater today. In that discussion there were questions raised regarding the tonnage used in the budget projection, and whether tip fee stabilization was a new construct to support the towns still with CSWS. Mr. Daley noted that tip fee stabilization was not a new concept. He explained that in some form it has historically always been part of the business model and benefited former municipalities that left the CSWS back when they were members as well as those currently with the CSWS. Committee Chair Harrington noted that he would like to continue the discussion at the full Board meeting.

10. DRAFT RESOLUTION APPROVING THE FISCAL YEAR 2026 AUTHORITY BUDGET

Mr. Daley introduced this resolution by noting that no changes were made to the Authority budget from the draft presented in November. He explained that as stated in November, the Authority needs to adopt a tip fee for the CSWS, which includes a proportionate share of personnel and non-personnel expenses from the Authority budget. Mr. Daley stated that the Authority wants to position DAS to serve effectively as our successor, and that both of those objectives are noted in the resolution adopting the budget and further specified that the resolution highlights aspects of public act 23-170 that essentially make this budget available to DAS to continue our ongoing business to the extent necessary. Mr. Daley explained that DAS is not obligated but may conduct and complete our business in the same manner as the Authority and may use the adopted budget as a tool to do so.

Mr. Daley highlighted costs within the budget presentation file and noted that such costs are divided into personnel and non-personnel costs. He explained that such costs are allocated in the manner prescribed in the budget among the CSWS, the Property Division and the Landfill Division.

Committee Chair Harrington expressed concern regarding the signal being sent when the Authority passes a budget including \$2.1 Million allocated to personnel, when in March the Authority plans to send termination notices to staff. And then has tip fee stabilization as well.

Director Dayton provided an alternate perspective that this budget is purely informational for DAS based on what the Authority is doing and what it costs. Director Dayton stated that hopefully DAS is very efficient and won't need that money. But the idea is that this budget is information for them to make decisions going forward. Director Dayton acknowledged that there is the additional odd wrinkle in this case in which that information is also being used to set a tip fee, but that holistically he sees this budget as purely informational. Chairperson Hunter noted in explanation of the current methodology that there are also ongoing conversations with the Torrington towns and the Essex towns and we don't yet know how those will play out.

President Daley noted that this is a status quo budget and under the Public Act and reference statute on transitions like this 4-38, DAS gets to pick up and continue our business and all of our procedures and regulations and contracts and everything.

From there, there was a lengthy conversation about the tip fees, the MSA's, the ability of towns to opt out, individually or collectively, the impact of future opt-outs on the viability of regional waste authorities, the Board's budget setting obligations in light of the Authority dissolution, and conversations individual Committee members have had with Authority contractors which could impact the costs of terminating the MSAs or facility-operating contracts.

Director Dayton made a motion to move past the remaining budget discussions in the interest of the limited time remaining and to proceed to the executive session. The Committee agreed by unanimous voice vote to table the remaining budget discussions and to proceed to the Executive Session.

11. DRAFT RESOLUTION APPROVING THE FISCAL YEAR 2026 PROPERTY DIVISION OPERATING BUDGET

Tabled in order to proceed to Executive Session, as detailed in item 10.

12. DRAFT RESOLUTION APPROVING THE FISCAL YEAR 2026 LANDFILL DIVISION OPERATING BUDGET

Tabled in order to proceed to Executive Session, as detailed in item 10.

13. DISCUSSION REGARDING THE FISCAL YEAR 2026 CSWS OPERATING AND CAPITAL BUDGET

Tabled in order to proceed to Executive Session, as detailed in item 10.

14. INFORMATIONAL REPORTS

The informational reports were included as Attachment 5 of the Finance Committee Package but due to time constraints, they were not further discussed at the meeting.

15. EXECUTIVE SESSION.

Committee Chair Harrington made the motion to enter executive session to discuss feasibility estimates and evaluations regarding future operation of the Connecticut Solid Waste System and to discuss confidential legal memos and appraisal of real property with all of the Directors, Members, the President and Legal Counsel. The Committee approved the motion by unanimous voice vote. At 10:57 am, the Committee entered Executive Session.

At 12:26pm, the Committee exited Executive Session. Committee Chair Harrington noted that no votes or actions were taken in Executive Session.

A motion to table all remaining items on the agenda was made by Director Dayton, seconded by Director Steuber and approved by unanimous voice vote.

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair			X		
Bill Beccaro			X		

Matt Dayton	X		X		
Dave Steuber		X	X		

16. DRAFT RESOLUTION APPROVING THE FISCAL YEAR 2026 CSWS OPERATING AND CAPITAL BUDGET

Tabled, as detailed in item 15

17. DRAFT RESOLUTION APPROVING THE TERM SHEET FOR THE TRANSFER OF TORRINGTON TRANSFER STATION OWNERSHIP, OPERATIONS AND MAINTENANCE

Tabled, as detailed in item 15

18. ADJOURN

At 12:27pm, Committee Chair requested a motion to adjourn. The motion was made by Director Steuber, seconded by Committee Chair Harrington and approved by unanimous voice vote.

	Raised	Second	Yea	Nay	Abstain
Paul Harrington, Committee Chair		X	X		
Bill Beccaro			X		
Matt Dayton					
Dave Steuber	X		X		