

MIRA Dissolution Authority Finance Committee
April 9, 2025
Meeting Minutes

A Regular Meeting of the Finance Committee of the MIRA Dissolution Authority was held on April 9, 2025. Present in person or via video or audio conferencing were:

Committee Present: Paul Harrington (Committee Chairperson)
Bill Beccaro
Matt Dayton
Bert Hunter Dave Steuber (via Zoom at start, arrived live during public comment period)

Other Directors Present: David Barkin

Other Members Present: William DiBella

Authority Staff Present; Roger Guzowski, Supply Chain Manager
Cheryl Kaminsky, Comptroller
Chris Shepard, Environmental Compliance Manager (mix of live and via Zoom)
Dave Bodendorf, Manager of Engineering, Construction and Power Assets (mix of live and via Zoom)
Thomas Gaffey, Director of Recycling and Enforcement (mix of live and 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. PUBLIC COMMENT

Committee Chair Harrington invited members of the public to address the Committee. He noted that we do limit comments to 3 minutes.

The first public comment was from Ed Saint John from Middlebury. Mr. Saint John indicated that he is a former CRRA Board Member. He stated that his town operates a transfer station. That he knows what a transfer station does and the costs involved to operate and maintain the facility because Middlebury has maintained one for 50 years. Mr. Saint John stated that he has joined the proposal from USA Waste which he believes should be approved. Mr. Saint John asserted that the USA proposal will assure that the towns will continue to receive the current services with zero disruption, for a lower tip fee and the MDA's reserves will grow by \$3.25

million. He stated that his goal and every town's goal is to have a safe stable convenient and long-term solution for management of its recyclables and MSW.

The next public comment came from Todd Arcelaschi who noted that he is both the Regional Refuse District administrator and the Mayor of the Town of Winchester and disclosed that he was a former MIRA employee, working as a Scale and Enforcement officer and working his way up to Billing Analyst and Revenue Accountant. Mr. Arcelaschi explained that the MDA bills Regional Refuse directly and that bills do not go to the Town - the three Regional Refuse towns do pay a portion of the disposal fees through yearly assessments but the Regional Refuse towns never actually see a bill from the MDA. Mr. Arcelaschi continued to state the following:

“At regional refuse. I'm responsible for a 1.8 million dollars budget that I put together yearly. So I understand this business from both sides. Up until about a year ago I was in favor of the public option and a State agency that helped oversee the trash, observe, and police contamination to keep residents and haulers honest. It was a good idea, but the State decided to do away with this. That's where we are today. I do believe that burning trash and creating energy is both the most environmentally friendly and economical thing to do. But the State decided not to make an investment in those choices.

What changed my opinion about the public option is, after careful examination and consideration, I now realize that the public option just isn't sustainable. It's not affordable to the users. The Torrington Transfer station will have to operate on tip fees in the long term. Without a steady source of revenue or robust bank account, both of which MIRA had, the Torrington Transfer station will fail and cost the towns and residents of the Northwest Corner millions.

This is what regional refuse wants. We want fiscal responsibility and financial stability. We're 4 years from a \$111 tip fee at MIRA. We're going to be \$136 on July first. While we were waiting for the decisions that the MIRA Board was going to make, Regional Refuse sent out an RFP so that we wouldn't be caught flat footed at the last minute if things fell apart. It became more evident that the MIRA tip fees were actually inflating the private market prices and the public option just isn't doing the towns justice. We can't keep the haulers accountable if we continue to rise well above the private market.

Regional refuse received RFP responses between \$102 and \$108 a ton. On July first the MDA tip fee is set at \$136. Even accounting for recycling the blended rate is still below the MIRA tip fee. Fiscal sustainability is what regional refuse is seeking with the USA deal. Regional refuse has been in business for over 50 years but with the future of trash in Connecticut uncertain, our future is also uncertain. We hope to make long term investments in our facilities here, but without cost, certainty in our future. We have to put those investments on hold. I want to thank MIRA Dissolution Board, and before that CRRA for our long partnership. But the time is here. We need to look to the future and that's why regional refuse, and the town of Winchester support this plan presented by U.S.A. With that, thank you.”

Before proceeding with additional public comment, Director Hunter asked Mr. Arcelaschi to clarify information that he stated regarding the tip fee that he quoted in his remarks. Specifically he asked whether there was an additional tip fee for recycling or whether that was “free” and included in the trash tip fee. To Director Hunter’s question, Mr. Arcelaschi responded “So, with the rate of \$118/ton for trash and a \$45 per ton cap on the recycling, the blended rate is \$128.

The next comments came from Rista Malanca from the Northwest Hills Council of Governments. She indicated that she did not have a prepared statement but wanted to note that the COG has been working closely with Mark Daley to move forward with the terms we’ve already agreed with. She noted that although Winchester and Middlebury are represented on this call, there are 10 other towns that continue to support the terms that we’ve agreed on and want to move forward with that proposed. She indicated that Mark Daley has a summary of all the tasks the COG has been working on and stated that the COG believes they’ll make the June 30 deadline for acquisition of the property and assumption of all contracts to be able to have a seamless transition and not to have it go to a state agency.

After Ms. Malanca’s public comment, there were questions and discussions among Committee Chair Harrington, Director Hunter and Ms. Malanca regarding the nature of the commitment or support of the towns supporting the COG terms.

The next comments came from attorney Edward Spinella who was allowed to speak for 11 minutes. Attorney Spinella indicated that he represents U.S.A Hauling and made a proposal on behalf of USA Hauling, RRDD1 and Winchester and the Town of Middlebury. Attorney Spinella stated that we’re talking about the Torrington Transfer Station. He stated that only 12,000 tons are delivered by the towns that they themselves pay for. The remaining 7,000 tons is delivered by the private haulers. Attorney Spinella continued to state the following:

“So the state of Connecticut disposes 2.2 million tons of MSW every year. So you’re talking about Torrington that they handle .5% of all the garbage in Connecticut. That’s all, we’re talking about;:12,000 tons. So how does MIRA handle this material? It doesn’t do anything other than administer the contracts and it also manages the scales which is a very important thing to do.

So how does MIRA handle this transfer station? It has 3 contracts, as the enviro express contract. It pays enviro express every year about \$700,000 for O&M, another \$30,000 a year for administration, and then it pays enviro for the tip. That's approximately 2.6 million dollars plus or minus. It also has a contract for Murphy Road, recycling where all the recyclables are brought to Berlin, Murphy Road’s recycling facility. It pays \$350,000 a year to Murphy Road for that, as well as a processing fee.

The 3rd thing it does is it has municipal service agreements with the 12 Towns. All those municipal service agreements say to those 12 towns are: deliver the material to Torrington, or anywhere else that we tell you to deliver it and pay the tip fee. That's all that we're talking about. So in this proposal that we've made, we assume all the responsibility for the enviro contract, \$700,000 a year, the \$30,000 a year administration fees. We also assume the T&D which is approximately 2.6 million dollars a year. All of that we assume if our proposal is accepted.

The next thing is that under the Murphy Road recycling. We're gonna assume that contract. We're the party to that contract. So it's easy to do. You're no longer gonna have to pay Murphy road \$350,000 a year. On the enviro contract is our proposal, except that you're not going to pay enviro \$700,000 a year for O&M. You're not going to pay them \$30,000 a year for administration. None of that's gonna be paid by you if our proposal is accepted.

On the municipal services agreements it gets even better. Not only are these towns going to continue to have the municipal service agreements with us for 2 years. If they only want to be 2 years, they can do 2 years. And instead of us charging them a \$136 and \$141 a year, we're going to charge them the same thing that Mr. Arcelaschi just mentioned to you. It's gonna be the blended rate. They're gonna save money on the 1st year, and they're gonna save money on the 2nd year, on the blend of 2 things. If the towns choose to, in our proposal, they can accept the 5 year deal, or they can accept the 10 year deal, or they can accept none of those 2 deals and simply abide by the agreement that they presently have. But we won't charge them \$136 a ton, and we won't charge them \$141 a ton, we're going to charge them less.

So I know that all of you have read the law, and the law is clear that you're supposed to dissolve as quickly as possible. You're supposed to preserve as the assets as best as you can and you're supposed to leave the reserves alone, if you can leave them alone. The law is clear. That's in Section 11 of the public act. And then in 2024, the legislature tweaked that a little to say that if you, during your operations, use any of these funds, we'll reimburse you with bonding. But that public act also said in the last sentence of that public act that under no circumstances are you ever to use these reserves after June 30, 2026. They cannot be used. Those laws both make clear that the only time that you can use the reserves and the funds is while you're operating. They can be used for you when you're operating. You cannot use any of that money to pay a 3rd party to operate these facilities. You can't do it under these public acts. It's clear as a bell.

So under our proposal, you are not using any funds whatsoever, not one cent to provide the services to these towns that they expect to have provided for 2 years. There'll be absolutely no disruption in the services.

Until DEEP, assuming our proposal is accepted, transfers the permit to us, or provides a permit to us for Torrington, that material will have to go to our Winstead facility and our Waterbury facility. The incremental cost for these towns to go instead of Torrington to Winstead are minimal. But there aren't going to be any incremental costs in the long run, because we're offering those people less money.

If we do this, we also do one other thing. We purchased the transfer station for Torrington, because it will no longer be needed. There'll be surplus, and under section 5.2 of your procurement policy you can sell real estate so long as you have one appraisal, and I've heard from the board meetings. You have an appraisal already and section 502 says that the competitive process does not apply to the sale of the real estate.”

The final public comment came from Robert Umartino, First Selectmen from the Town of Middlefield. Mr. Umartino stated:

“We, in concert with the town of Durham, run a transfer station in Middlefield, where we gather our municipal solid waste and recyclables, and transport them to the Essex location. We have submitted a request, along with the rest of the communities that are operating out of Essex to have the contract terminated. It is on your agenda later, and I just wanted to let you know that our towns are both in support of that. We can make arrangements to transfer our waste directly to the Bristol facility in terms of transportation. The distance from our our transfer station to Essex transfer station is the same as our transfer station to Bristol, and it reduces one step in the handling process and additional transportation on top of it. So it's environmentally sounder, works for us in terms of tipping fees, and and we look forward to your deliberations on that agenda item coming up.”

After First Selectman Umartino’s comments, Committee Chair Harrington ended the public comment and proceeded to the remainder of the agenda.

3. REVIEW AND APPROVIE MINUTES OF MARCH 5, 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 Committee Chair Harrington and approved by roll call.

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

4. REVIEW AND APPROVE DRAFT RESOLUTION REGARDING TEMPORARY SERVICES FOR E&I TECHNICIAN

President Daley shared that this resolution is simply dealing with the Authority Budget temporary services line which is exhausted at this point. He noted the resolution authorizes the addition of a line item for temporary services in the property division which will directly fund the former NAES technician. Mr. Daley explained the addition of the new line item is required under the procurement procedure and also the bylaws, that we can’t simply reallocate funds to an unapproved budget line. Mr. Daley further explained that the resolution also ratifies an emergency procurement which he authorized for these services that the Authority needed to address a system failure that was preventing discharges from the coal pond and equalization tank to the sanitary sewer. Mr. Daley stated that the cost of the emergency procurement and also the future work through June 30 is \$45,000.

The motion was raised by Director Beccaro and seconded by Director Steuber. The motion was approved by a roll call vote.

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

5. REVIEW AND APPROVE DRAFT RESOLUTION CONCERNING FUNDING OF LEGAL SERVICES

President Daley led the discussion explaining that we have a shortfall in the Authority Budget for legal services. This budget is primarily funding the legal work related to the employee terminations and the related Authority shutdown activity including our general council work provided to the Authority on the Board. The resolution authorizes \$55,000 in additional spending which is funded by the projected surplus in our severance fund. Mr. Daley noted that there are also additional legal costs being incurred for the transfer station transfers which we should be able to cover in our surpluses within CSWS budget lines.

Committee Chair Harrington asked what is driving the increase in this legal service line. President Daley explained that we had a small budget to begin with within the Authority Budget, and we’ve gone through that for a variety of items related to the administration of the Authority as well as all of the employee terminations, separation, work to shut down the 401(k) etc.

In response to Committee questions, Mr. Daley indicated that the Authority is overspent on that line item now and that the \$55,000 specified in this resolution

Director Dayton mad a motion to table this agenda item, which was seconded by Director Steuber. The motion to table was unanimously approved by voice vote.

6. REVIEW AND APPROVE DRAFT RESOLUTION REGARDING INCREASED BUDGET FOR STRUCTURAL INSPECTION WORK

President Daley explained that we reached the funding limit that we had on the South Meadows structural evaluation and maintenance plan. This project was originally funded at \$59,000 from the South Meadows Transition Reserve. Mr. Daley explained that additional field work was required to complete the plan including a drone inspection of a number of inaccessible areas. The additional cost is \$15,000 to be funded from the South Meadows Transition Contingency Reserve as well. Mr. Daley stated that the work is done, that it was within his authority to go ahead and direct that work be undertaken at that \$15,000 level. He explained that the authority needed here is to take the funding from the South Meadows Transition Reserve.

The motion was raised by Committee Chair Harrington, seconded by Director Beccaro and approved by roll-call vote.

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

7. DISCUSSION REGARDING DRAFT RESOLUTION REGARDING CLEANING OF THE FUEL STORAGE TANK AND FUEL SUPPLY LINES AT THE SOUTH MEADOWS STATION JET TURBINE FACILITY IN HARTFORD

President Daley stated that this item is dealing with the work that is required of the Authority under the S&S Salvage contract to prepare the jet turbine facility for sale or salvage. He explained that the Authority is required to clean out the tank and the fuel lines and have them certified as gas free. TRC developed the plans and specs for the work and are in the process of receiving and reviewing bids for the actual subcontracted work. TRC invited 5 potential subcontractors to a walkthrough on March 28, which two of those potential subcontractors attended. Mr. Daley noted that the subcontractor pricing is due later today. Mr. Daley indicated that we would go to the Board with a final that included those subcontractor costs.

The motion was raised by Committee Chair Harrington, seconded by Director Beccaro and approved by roll-call vote.

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

8. DRAFT RESOLUTION REGARDING THE CONNECTICUT SOLID WASTE SYSTEM WASTE AND RECYCLABLES HAULER DELIVERY AGREEMENT FOR FISCAL YEAR 2026

President Daley led this discussion by explaining that these hauler agreements are annual agreements that work in tandem with the Municipal Services Agreements and that these hauler agreements expire June 30, 2025. Mr. Daley explained that the Authority typically renews these contracts and undertakes the permitting process at this time each year. These contracts provide the rules and access to the Connecticut Solid Waste system for the haulers that deliver the waste committed by the municipalities. Mr. Daley noted that we have made edits to the standard hauler agreement to form a template that would be usable by Torrington on a standalone basis and also by Essex on a standalone basis.

President Daley stated that if we don't put these agreements in place in a way that they will be assigned to future operators, the future operators will be in a bit of a scramble to get them together when they're all ultimately established.

There followed a lengthy discussion as to what these hauler agreements locked the parties into, whether it was premature to send out hauler agreements before the regional operators were identified, whether it was appropriate for the Authority to send them out on behalf of future operators, whether hauler agreements could be completed at a later date if they were not issued now, and the speed with which all parties could execute final contracts especially if they do not have in-house attorneys or notaries. There was also discussion of the need to get haulers permitted and into the scale software.

After that discussion there was a motion to table this resolution raised by Director Dayton and seconded by Director Steuber, and approved by a voice vote

9. DISCUSSION OF PROPOSAL TO TRANSITION ESSEX TRANSFER STATION

Committee Chair Harrington noted that Senator Needleman is not in attendance in the meeting or online. Director Beccaro indicated that was correct but noted that there is a meeting of the CSWS Transition Committee scheduled for the following day. He noted that meeting would go into executive session right after being convened to get into detailed discussions about the mechanics of the Essex Transfer Station and what could transpire moving forward. From there, the intent for that CSWS Transition Committee meeting is to come out of executive session and adjourn the meeting.

While there was no formal resolution to table, the Committee agreed to pause further discussion regarding the transition of the Essex Transfer Station until after the CSWS Transition Committee described by Director Beccaro.

10. DISCUSSION OF PROPOSAL TO TRANSITION TORRINGTON TRANSFER STATION

Committee Chair opened this agenda item by noting that because he is somewhat involved in this item, he turned the meeting over Director Hunter to lead this discussion. Director Hunter noted that we had a good introduction to the topic provided during the public comment period by Attorney Spinella. He invited Attorney Spinella back to the table to answer questions from the Committee related to his earlier public comments and the USA proposal.

In answer to Director Hunter's question regarding who would be the party under that proposal to whom MIRA's role would be assigned, Attorney Spinella stated most likely either USA Waste and Recycling or USA Hauling and Recycling. He noted that in the case of the Murphy Road Recycling, they would be taking over their own contract. In the case of the MSAs, Attorney Spinella suggested those would be assigned to them. As to the Enviro Contract Attorney Spinella proposed they would assume it and either keep it or terminate Enviro and pay the termination fee.

From there, there was discussion about the public option, the compatibility of this proposal with local flow control ordinances, whether or not the limited size of the region and the limited tonnage from it in relation to the entirety of Connecticut negated the need for a public option. It was noted that there was not disagreement with the assertion that waste could not be flow controlled to a private entity. There was discussion as to whether it was still a public option if the transfer station was operated by a private operator under contract to a public entity and if the tons leaving the transfer station ultimately ended up at a private facility. There was further discussion and disagreement as to whether DEEP procedures and Connecticut's Comprehensive Materials Management Strategy favors regional waste authorities. There was related discussion as to whether it was MDA's role to make that determination or whether that was the DEEP Commissioner's role to approve or disapprove any direction the MDA or any municipality chose.

There was additional discussion regarding commitments of the towns to the options being discussed. When Director Hunter asked whether all three towns that make up RRDD1 were in favor of the USA proposal or just Winchester, Committee Chair Harrington indicated that's what we don't yet know. When Attorney Catino asked Attorney Spinella whether he had letters from any of the other towns using the Torrington Transfer Station beyond Winchester and Middlebury whether they would support going in this direction, he said no. Conversely, there was discussion regarding whether there were written letters supporting the Northwest Hills proposal and disagreement whether that was necessary if there was already testimony of support from those first selectmen before the MDA Board and votes of support at a meeting of the Northwest Hills Council of Governments. There was discussion as to whether both options need to be given a firm deadline to come to the table with firm commitments of support.

11. INFORMATIONAL REPORTS

There was no discussion regarding the informational reports.

12. EXECUTIVE SESSION

Director Steuber made a motion to go into executive session to discuss i) the sale of real estate owned by the Authority in Shelton and any pending consummation, termination or abandonment of all transactions or proceedings concerning any such sale; ii) feasibility estimates and evaluations regarding future operation of the Torrington and Essex Transfer Station including draft terms and conditions associated with such future operation and iii) attorney-client privileged memo concerning the transition of Connecticut Solid Waste System facilities pursuant to Public Act 23-170, including all Directors and Members, Attorney Ann Catino and President Daley. The motion was seconded by Director Beccaro and unanimously approved by voice vote.

The Committee went into Executive Session at 10:54am.

13. ADJOURN

At 11:35 the Committee came out of Executive Session. Committee Chair Harrington noted that no votes or actions were taken in Executive Session and adjourned the meeting.