



H·R·R·A
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DRAFT
HOUSATONIC RESOURCES RECOVERY AUTHORITY
REGULAR MEETING MINUTES

Thursday, September 16, 2010, 10:30 a.m.
Brookfield Town Hall – First Floor - Room 133

Members or Alternates Present and Voting:

Bethel, Matt Knickerbocker	8
Brookfield, Joni Park	7
Danbury, Mark Boughton	35
Kent, Bruce Adams	1
New Fairfield, Mike Gill	6
New Milford, Suzanne Von Holt	13
Newtown, Herbert Rosenthal	12
Redding, Larry Kulowiec	4
Ridgefield, Rudolph Marconi	11
Sherman, Andrea O'Connor	<u>2</u>
	99

Members Not Present

Bridgewater, William Stuart

Others Present:

Rich Straiton, Bethel Alternate
 Cheryl Reedy, HRRR Director
 Susan Chapman, New Fairfield Alt.
 Fred Hurley, Newtown Alternate
 Kate McConaghey, Sherman Sel.
 Bob Metzler, HRRR Counsel
 Lynn Waller, Public
 Pat Caruso, Associated Refuse
 Fred LeMay, LeMay, Inc.
 Vin Langone, WES
 Rob Pedersen, WES
 Dave Dunleavy, AWD/RTI
 Matt Starr, AWD/RTI
 Joe Winters, Winters Brothers
 Frank Antonacci, AAW
 Gerry Antonacci, AAW
 Steve Hastings, Hudson Baylor
 Chris Coady, Hudson Baylor
 Pat Llodra, Newtown First Selectman
 A few other unidentified persons

Call to Order: The meeting was called to order by Chairman Gill at 10:32 a.m. with a quorum of 64 votes present from nine towns. The members of the Authority present were introduced. M. Boughton entered the meeting at 10:45 a.m. during Chairman's comments, bringing the total votes present to 99 from ten municipalities. P. Llodra entered the meeting at 11:16 a.m. while the Authority was in executive session.

Public Comment

- Pat Caruso from Associated Refuse commented on the waste diversion problem in the region saying he was a believer in the free market and concerned about some of the suggestions proposed for dealing with the diversion. He said the Danbury transfer station is not competitive

with other MSW markets. He urged the Authority to make every effort to reach out to haulers and keep them informed. Mr. Caruso also stated he is a proponent of single stream recycling and thinks it should be available to all haulers in the region.

- Fred LeMay from LeMay, Inc. introduced himself and described his background and experience in composting. He would like to work with towns in the region to help them dispose of their brush and leaves cost effectively while producing a usable product, compost. He has contacted all the public works directors and/or transfer station operators in the region, but has yet to hear back from all of them. For any municipality that pays to dispose of brush and leaves, Mr. LeMay's proposal might save the town money. Mr. LeMay left business cards with his contact information for members to take after the meeting.
- A. O'Connor introduced Sherman Selectman Kate McConaghey who was in attendance at the meeting to learn more about the solid waste issues facing the region.

Chairman's and Members' Comments

- Chairman Gill introduced and welcomed Bethel alternate, Selectman Richard Straiton, and newly appointed alternate from New Fairfield, Selectman Susan Chapman, to the meeting.
- The next HHW collections in the region will be on September 25th – one in Danbury for Danbury, Bethel, New Fairfield, Newtown, Redding and Ridgefield residents and one in New Milford for New Milford, Brookfield, Sherman, Warren and Washington residents. These are the final HHW collections of 2010.
- Also on September 25th, several HRRAs municipalities are participating in the federal DEA prescription drug take back day. Residents may dispose of unused prescription medications at the Danbury, Brookfield, Newtown and Redding police departments and in Ridgefield at the VNA. The collections in each community are open to residents and non-residents alike at no cost.

(M. Boughton entered the meeting at this point.)

Director's Report

- The MSW tonnage decline continues at a steady pace. At the end of the 2009-10 FY Brookfield and Kent were below their annual minimum guaranteed tonnage (MGT), and New Milford was only 6% above its MGT. If the region as a whole had not brought in sufficient tonnage to cover the deficits for Brookfield and Kent, the cost to Brookfield taxpayers would have been approximately \$125,000, and to Kent taxpayers \$32,000, to cover the towns' put or pay obligations.
- An e-waste report will be included in the monthly tonnage report. All HRRAs municipalities have contracted for electronics recycling with WeRecycle! except for Kent, who already had a contract with another vendor. All HRRAs municipalities have started their e-waste recycling program except for New Milford, who plans to start on October 1st. Members were reminded that residents cannot be charged ANY fee, including a permit fee, for dropping off only e-waste for recycling. Congratulations to the Town of Sherman that collected 40,000 pounds of e-waste at a one day event on August 28th.
- The HRRAs permit renewal and municipal registration process has been completed. It was more difficult than in prior years due to the additions to the municipal registration form made necessary by the change in state law in late spring. 224 HRRAs permits were issued to 61 haulers, 43 of whom are in the business of solid waste collection. C. Reedy had checks to hand out to each town at the end of the meeting for 2010-11 municipal registration fees.

- Additional violations of the municipal recycling services agreements between HRRRA and the recycling region municipalities have come to light since the last meeting, most notably the Kent and Danbury public school systems. During the past two years at least 70% of the municipalities that are members of the recycling region, i.e. Brookfield, Bethel, Danbury, Kent, New Fairfield, New Milford and Newtown, have breached their recycling services agreements with HRRRA by not ensuring that recyclables from municipal facilities are delivered to RTI.
- CRRA started accepting MSW generated within HRRRA at its transfer station in Watertown. The Chairman will contact CRRA to ask for their cooperation in stemming the flow of MSW out of the HRRRA system. The practice seems at odds with CRRA's statutory mission. If CRRA continues to facilitate the diversion of MSW from the HRRRA system, putting members and their taxpayers at risk of falling below the MGT, the region will seek assistance from our state legislative delegation.
- S&P Carting from Waterbury was observed collecting MSW in Danbury without a registration. The Director called the company and explained the state requirement to register in each municipality in which the company collects and sent a registration packet in the mail. To date there has been no response.
- MSW generated within HRRRA is reportedly being tipped at transfer stations operated by City Carting and eventually makes its way to Wheelabrator Bridgeport at a price that is significantly less than the HRRRA tip fee. Wheelabrator acknowledges the practice, but none of the tonnage is credited toward HRRRA's MGT. A meeting is set for next week between HRRRA and Wheelabrator to discuss.
- Revised proposals for single stream processing from Hudson Baylor, Willimantic Waste and (to come soon) Murphy Road Recycling were submitted. CRRA declined to revise and resubmit. The Director met with the three companies still under consideration to discuss each proposal. Site visits have been made or are scheduled at Hudson Baylor and Willimantic Waste. Scheduling a site visit at Murphy Road Recycling awaits receipt of the company's revised, written proposal. M. Gill and H. Rosenthal noted that Murphy Road Recycling's proposal would be more favorably received if the company showed a willingness to work with the towns and HRRRA to bring recyclables from municipal facilities to RTI. The Authority intends to have single stream processing capability in place at RTI by the end of 2010.
- A haulers' meeting was held on July 19th at Danbury City Hall to discuss how the Authority's quest for the option to deliver single stream recyclables to RTI would affect haulers, hauler requirements under the new state recycling law, etc. The meeting was poorly attended, with less than 8 haulers present.

Administrative Approvals

- **Motion** by M. Boughton, second by J. Park, to approve the minutes of the June 24, 2010 HRRRA meeting as presented. **Vote:** All in favor.
- **Motion** by A. O'Connor, second by M. Boughton, to approve the HRRRA financial statements through August 31, 2010 as presented. **Vote:** All in favor.
- **Motion** by H. Rosenthal, second by R. Marconi, to approve an additional appropriation of \$8,000 to the Reimbursement for Collected Fee expense line to reimburse municipalities for hauler registration fees collected on their behalf. C. Reedy noted that this is a pass through expense. Only fees collected will be paid to the towns, and there will be no effect on fund balance. **Vote:** All in favor.

- **Motion** by R. Marconi, second by M. Knickerbocker, to approved the HHW vendor contract with MXI, Inc. for the 2011-13 FYs as presented with two modifications suggested by legal counsel. One modification clarified the municipalities that would be parties to the contract. The other modification allowed the contract to be signed in parts so that all signatures do not have to be collected on the exact same page. **Vote:** All in favor.

Old Business:

- RFP for Single Stream Recycling Processing Update* – No further update is available from what was presented during the Director’s report.
- RTI Agreement default and/or termination update* - Further action on RTI’s ongoing defaults under its existing contract with HRRRA has been tabled for the last few months to allow the plan to make RTI a recycling transfer facility capable of accepting single stream recycling to be finalized. Such a plan, once implemented, would allow RTI to cure many of the defaults that involve the processing and marketing of recyclables delivered to the facility. If no agreement on single stream processing can be worked out, the Authority can proceed to consider termination of the RTI contract for failure to cure defaults in a timely manner.
- Transfer station sale update* – Joe Winters from Winters Bros., a former carting company on Long Island that was sold in the last few years to BFI Canada, introduced himself to the members, indicated he had given the federal government’s representatives a letter of intent to purchase all the former Galante assets, collection as well as transfer facilities, and wanted to work with the Authority and the City of Danbury if he is successful in his bid for ownership of the assets.

At the request of M. Boughton on behalf of the City of Danbury, **motion** by A. O’Connor, second by R. Marconi, to enter into executive session to discuss the acquisition of real property in the City of Danbury and to invite into the executive session all HRRRA members and alternates, all Selectmen present from member municipalities, HRRRA legal counsel Bob Metzler, and HRRRA Director Cheryl Reedy. **Vote:** All in favor. The executive session commenced at 11:15 a.m. First Selectman Pat Llodra from Newtown joined the executive session at 11:16 a.m. The Authority came out of executive session at 11:37 a.m. and announced that no votes had been taken and no votes would be taken as a result of the executive session.

New Business:

- Strategies for protecting taxpayers from failure to meet minimum guaranteed tonnage under the Waste Supply and Disposal Agreement (WSDA)* – C. Reedy distributed a list of strategies for keeping MSW and recycling within the HRRRA system, and noted that the existence of the region’s solid waste system is threatened if municipalities do not take action to stem the diversion of solid waste from the system. Some of the pros and cons, enforcement and political challenges of flow control and contracted services outlined in the list of strategies were discussed. M. Boughton acknowledged the need for personnel to enforce flow control when the White Street transfer station is owned by the Danbury Solid Waste Authority.

The Authority also discussed a number of potential changes to the Wheelabrator contract that could also help slow the diversion of solid waste from the regional system if Wheelabrator is willing to discuss and/or enter into another renegotiation such as the one that successfully brought most of the MSW tonnage back to the region in 2004.

C. Reedy pointed out that the strategy list contains a number of actions already available to municipalities that can help mitigate the current tonnage diversion. To date, however, member municipalities have shown no inclination to take any of those actions. Several HRRRA member municipalities have chosen to breach their municipal recycling services agreements with HRRRA or to do business with haulers who routinely tip solid waste outside the system. She maintained that if municipalities are unwilling or unable to take the actions now open to them, even the easier ones such as contracting for municipal collection services only with haulers who deliver solid waste and recyclables into the system the municipalities themselves created, then there was little hope that the political will would exist to take more complicated and controversial steps in the future to keep solid waste in the system and protect local taxpayers.

Without changes to the status quo, within three years the region as a whole could be below the minimum guaranteed tonnage, and taxpayers in numerous towns could be on the hook to either pay Wheelabrator directly for the shortfall or purchase tonnage on the spot market to deliver to Wheelabrator in lieu of diverted tonnage. Alternatively, if every member municipality considers and takes the steps now available, it will show good faith in discussing contract changes with Wheelabrator and may well make enough of a difference to protect local taxpayers until the Danbury transfer station is finally in the hands of local government and flow control is possible, and/or the economy improves and waste generation increases and effectively produces economic flow control, and/or a change is made to the Wheelabrator agreement.

A lengthy discussion ensued about the gravity of the situation and the options available now and in the future to municipalities and HRRRA. Member municipalities present pledged to use their best efforts immediately to consider, discuss and make the changes they can to protect their taxpayers.

Adjournment: Without objection the meeting was adjourned at 12:08 p.m.