

NOT YET
APPROVED

**WALLINGFORD REGIONAL SOLID WASTE PROJECT
POLICY BOARD**

**Minutes of a Meeting of the Policy Board held on October 16, 2013
at Wallingford Town Hall**

A Meeting of the Policy Board of the Wallingford Regional Solid Waste Project was held at the Wallingford Town Hall on October 16, 2013. Present at the meeting were Michael Freda, First Selectman of North Haven; Don Roe representing the Town of Wallingford; Bob Bass representing the Town of Meriden; and Pam Roach representing Town of Hamden.

Others in attendance were: Cheryl Thibeault and Ken Huebner of Covanta Energy; Doreen Zaback, Wallingford Regional Solid Waste Project Coordinator; and Wallingford resident Bob Gross.

The meeting was called to order at 9:09 a.m. by Chairman Freda.

I. Approval of July 17, 2013 WRSWP Meeting Minutes

Bob Bass motioned to accept the minutes from the above-referenced meeting; Pam Roach seconded the motion. The motion was unanimously approved.

II. Project Update

A. *Report on Waste Volumes and Plant Operations*

Ms. Thibeault reported on tonnage for the period July to September 2013 (see Attachment 1). Tonnage is up quarter over quarter but that is because the Project now has waste from Newington, Madison/Guilford and Southbury. Generally, the tons have been steady from the prior quarter except for North Haven. Covanta has observed that the waste volumes are not predictable and there is some question as to whether recycling, the economy or the spot waste status at the Mid-Conn and Bridgeport plants is affecting the volumes. Covanta does see the commercial tons flow in when those plants are full. The commercial tons, though under contract, do move around. Covanta feels tons will remain strong throughout the rest of the year.

All three units have been taken through their fall cleaning outages as of this past weekend. Covanta feels they may need to do another cleaning outage before the end of the quarter, but otherwise, all units should be running full load for the balance of the year. Ms. Thibeault added that in May 2014, Covanta will be doing a minor turbine overhaul, which is required every few years. Ms. Zaback asked if this will be a blackout outage. Ms. Thibeault said it would be. Ms. Roach asked how long the blackout would be in effect; Ms. Thibeault indicated that 3-5 days are blocked out for that work. She added that the neither the towns nor haulers will be impacted. They are now making plans to move the waste to other facilities.

Ms. Thibeault also mentioned that energy rates are still averaging under \$0.04 per kilowatt-hour. Covanta has seen some peaks over the past few months but overall the market is under \$0.04 and this is greatly affecting the economic conditions of the Mid-Conn facility.

B. Enforcement Activities

Ms. Thibeault distributed the violations report (Attachment 2). She stated that for the most part, haulers are compliant; there are one or two haulers that have brought waste in from other towns, but they have been fined. There have been a couple of cardboard violations in the last month; the representative town's recycling coordinator is copied on all violations letters. Ms. Thibeault indicated that they do have a solid waste inspector on the floor and this cuts down on violations. Ms. Roach asked if the inspector was full time. Ms. Thibeault said he is, but does have other duties in addition to being on the tip floor; for instance, he also is responsible for cleaning the road in front of the plant. Ms. Thibeault said the road report was included with the violations report.

Bob Bass commented on the commercial waste tonnages in Meriden and how it appears to be so high and asked if Covanta is seeing any unusual things down at the plant as to why Meriden commercial waste is so high compared to the other towns. Ms. Thibeault said as far as the commercial, Meriden is averaging about 50/50 between residential and commercial. She asked Mr. Bass if he felt that the commercial base was smaller than the residential. Mr. Bass asked if it was possible that loads might not be properly accounted for, or are some haulers claiming to be from Meriden when they are not. Ms. Thibeault said the waste inspector does check to ensure the origin is as stated, the truck does have to be permitted and the scale operator does know the types of trucks service residential and commercial customers. Ms. Thibeault added that Meriden did switch vendors in the last quarter for their inner loop and Covanta has noticed that the residential tonnage hasn't been as high as with the previous vendor. In addition, while it is expected that all waste generated within a town's boundaries be brought to the Wallingford plant, they really can't implement flow control and know that commercial waste will go to where the market dictates. During this past quarter, Mid-Conn was having issues with some units and did turn off some commercial spot, so some of that commercial has been coming back to the WRSWP. There was then some discussion as to the contract terms between Meriden and Trashmaster and how this might help in tracking the waste.

C. Environmental

1. Title V Permit Update

Ms. Thibeault reported that CT DEEP has accepted their application and it has been public noticed. There has been a request for a public meeting or hearing on the matter. There will be a meeting at the end of the month with Covanta, DEEP and the interested party to decide whether a meeting or hearing will be scheduled.

2. Status of Transfer Act Monitoring

Ms. Thibeault said the Transfer Act monitoring is now in its home stretch and that Covanta has completed all of the groundwater monitoring to the

satisfaction of the licensed environmental professional (LEP). Ms. Zaback distributed the latest groundwater monitoring report (see Attachment 3) to the Policy Board. Ms. Thibeault said the groundwater monitoring results are non-detects and everything is in order. The LEP will now write up the final report and submit to DEEP. To date, there has been about \$155,000 spent on this project and they are still within the Covanta \$100,000 portion of the payment, and don't expect to tap into any reserves of the towns. A decision to close or abandon the wells needs to be made, but Covanta will look for guidance from the LEP. They will look to do whatever they can to reduce costs for the towns. Once the final report is issued, Ms. Thibeault will provide a copy to Ms. Zaback and wait to hear back from DEEP. Ms. Zaback added that she thought that if DEEP doesn't render any decision on the LEP report within a certain timeframe, then the LEP recommendations become accepted. Ms. Zaback was unsure as to the timeframe, but thought that it would be within six months. She added that there are still a few outstanding invoices for the groundwater monitoring and a cost for preparation and submittal of the report, but it should not go beyond the Covanta \$100,000. Ms. Thibeault said the LEP has given a cost of \$10,000 for the final report.

III. Legislative Overview

A. PA 13-285, Section 7: FY 2008-FY 2012 Audit of CRRA

Ms. Zaback reported that this legislation called for a forensic audit of CRRA. The audit is underway and is being conducted by CohnReznick; the final report should be completed by the end of October or early November. Ms. Zaback said CohnReznick was to have a portion of the report done by October 4, but they have missed that deadline and DEEP was hoping that portion would be received sometime this week.

Ms. Zaback added that part of PA 13-285 calls for CRRA to provide up to \$500,000 to DEEP for a forensic audit of CRRA finances. In July, CRRA management had a resolution drawn up showing where the funds would come from within CRRA. The resolution showed how each of the former CRRA projects would be billed; the former Wallingford Project would be responsible for 7.1% (or up to \$36,000) of the cost of the audit. This resolution was tabled by the CRRA Board of Directors and to date it has not been decided how the audit would be funded within CRRA. Ms. Zaback said she just wanted the Policy Board to know that there is the potential that some of our reserves could be used to pay for this audit.

Mr. Freda asked what the current balance was of our reserves. Ms. Zaback said that we have the \$500,000 in escrow for the Transfer Act costs, and then there are approximately a couple thousand in various other reserves aside from the landfill post-closure reserves, which is about \$6.8 million for Wallingford landfill. Mr. Freda asked if the audit costs would come from the post-closure reserve. Ms. Zaback indicated it would not come from the post-closure reserve, but from some other small reserves CRRA still holds.

B. PA 13-184, Section 99 Update: Transfer of up to \$35,000,000 from CRRRA to General Fund

Ms. Zaback stated that according to Peter Egan, Director of Operations of CRRRA, there has been no action of the transfer of these funds from CRRRA to the General Fund.

Ms. Zaback asked the Policy Board if there are any issues they would like to take up legislatively in the 2014 session to let her know and she can make sure testimony is submitted. She mentioned that expansion of the Bottle Bill will probably be brought up since she has received information from CONNPIRG asking for support of the expansion.

Ms. Zaback asked the Policy Board to provide input on this issue.

Mr. Freda said there seems to be an emergence and the state is endorsing it, of single-stream recycling facilities in various towns and cities. He said he has a question of if the town's zoning laws are able to compartmentalize the activities that go on in the single-stream recycling center, once the town's Planning and Zoning authorizes the facility to come in, are the town's Planning and Zoning laws then potentially trumped by state laws that could then allow the facility to expand the operations and go beyond what the town approved. Ms. Zaback said the facility would have to go through the DEEP permitting process and if they don't satisfy DEEP permitting, then the facility would not be allowed to operate. Ms. Thibeault said it has been Covanta's experience that regulatory authorities greatly rely on local zoning and permitting ordinances and it has been their experience that the local decisions have not been trumped.

IV. Solid Waste Management Best Practices/Emerging Trends

A. Covanta Organic Growth and Innovation-Bondi Island Monofill: Greenhouse Gas Avoidance

Ms. Thibeault distributed the Covanta Client Quarterly and pages 2 and 6 are attached (see Attachment 4). Covanta is able to increase revenues with their metals processing. Covanta Wallingford sends their ash to Bondi Island in Springfield, MA where ferrous and non-ferrous metals are pulled out. The value for non-ferrous metals is significantly higher than the incinerated ferrous metals. Bondi Island metals are then sent to Sims Metal in North Haven.

Covanta also has a partnership with Tartech to extract metals from landfilled ash. They are implementing a project at their Peabody, MA landfill.

B. Covanta/NYC 20-Year Sustainable Solid Waste Disposal Agreement

Ms. Thibeault said Covanta has signed a 20-year agreement with New York City for 800,000 tons of MSW per year. This waste will be barged out and sent via rail to their facilities in the northeast. Covanta has also recently acquired the Camden, NJ facility, which is a 1,050 tpd plant and produces 21 megawatts of renewable electricity. Ms. Zaback asked about the NYC agreement and why the waste is being shipped out as opposed to building a new facility near NYC; was the agreement structured as such due

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to difficulties with building a new facility or because the other Covanta facilities had extra capacity. Ms. Thibeault said it was a little of both, that siting a new facility in any urban area is difficult and Covanta does have extra capacity as recycling takes off and the introduction of source separated organics. Covanta does look to expand a little at the Niagara plant, but there is plenty of capacity at existing facilities.

V. Reserves

A. *WRSWP Interlocal Reserve Update*

Ms. Zaback reported that the balance in the reserve account was \$2,005,487.18 as of September 30, 2013 and that she had forwarded this information to the finance directors in each town (see Attachment 5).

B. *Discussion and Possible Action on Payment of 2013 Annual Stack Test Invoice*

Ms. Zaback said the 2013 annual stack test invoice has not been finalized yet, so there will be no action on this item. Ms. Zaback confirmed with Ms. Thibeault that the invoice would be finalized by the January 2014 meeting. Ms. Thibeault said it appears the portion allocated to the stack test would be \$57,500 and would be prorated based on the tons delivered by the five towns and then adjusted to Covanta's portion of change-in-law funding. Ms. Zaback added that the WRSWP towns delivered about 93% of the total waste accepted at the Covanta Wallingford facility.

VI. Project Coordinator Report

A. *Discussion and Approval of 2014 Policy Board Meeting Schedule*

Ms. Zaback stated that the 2014 Policy Board Meeting Schedule had been included in the meeting packets (see Attachment 6). Mr. Freda asked if the schedule was consistent with what have been done in recent years. Ms. Zaback said that was the case. There were no other questions or discussion concerning the schedule. **Bob Bass motioned to accept the 2014 Policy Board Meeting Schedule and Pam Roach seconded the motion; the motion was unanimously approved.**

B. *Status of Resource Recovery Task Force Findings*

Ms. Zaback said that she was appointed to this task force in August. To date there have been two meetings and one conference call. There are 13 people on the Task Force; there are representatives from Covanta, Wheelabrator, CRRRA, other resource recovery solid waste projects and municipalities. The Task Force is chaired by Macky McCleary, deputy commissioner of CT DEEP. There are three subcommittees looking at separate issues: 1) bilateral contracting of solid waste and electric sales between waste-to – energy (WTE) facilities and municipalities; 2) renewable energy credits or greenhouse gas mitigation credits; and 3) market position. Ms. Zaback said she is on the market position subcommittee.

Because of the very low sales price of electricity and because CRRRA has lost significant tonnage as municipalities signed contracts with private haulers and WTE facilities, CRRRA has indicated they may be financially instable unless there are ways to generate

new revenue. So, the bilateral contracting is a way for WTE facilities to receive higher prices for electric sales and for municipalities to purchase a portion of their electricity at a lower price. This is hoped to be accomplished by reducing a number of the middle parties involved in electric contracting in Connecticut. Ms. Zaback added that there are numerous regulatory and statutory hurdles to overcome for this contracting to be realized. The Task Force is required to have their final report submitted by mid-December so we have a very aggressive timeframe.

Ms. Zaback said that EPA has actually looked at WTE facilities as greenhouse gas mitigators. The thinking is that WTE facilities don't generate methane as landfills do, they are able to recover metals from ash which negate the need to extract resources from the earth and saves energy in the process and because they generate electricity, avoid the need for electricity production from fossil fuels. So, the Task Force is looking to determine if there is a value for this.

The market position subcommittee is looking at the viability of WTE facilities in CT and the northeast, in addition to looking at where and what the competition is in terms of out-of-state landfills.

C. *Update on the Mattress Stewardship Program*

There is now a Mattress Recycling Council (MRC) that has been charged with coming up with a plan for mattress recycling for all covered parties in Connecticut. Covered parties include municipalities, retail establishments and WTE facilities. All covered parties will have the option to participate in the plan, which allows them to receive a collection container at no cost. The plan is due to CT DEEP July 1, 2014. MRC will also need to determine the fee collected at the sale of a mattress, which then will be used to fund this program. MRC also needs to establish material standards, tracking software and public education. The next meeting will be October 21, 2013. Much work needs to be done as municipalities handle mattresses in many different ways, whether they do curbside bulky pickup or require drop-off.

D. *Update on Hazardous Waste Advisory Committee*

Ms. Zaback said she attended a Recycling and Hazardous Waste Disposal Forum at CT DEEP last month and found it informative. The forum provides a nice overview of recycling, universal waste and hazardous waste obligations of businesses. As a result, Ms. Zaback said she developed an informational flyer for businesses, with the idea that it be mailed to businesses in the five towns (see Attachment 7). Ms. Zaback said that if Policy Board members could obtain business contact information from their economic development staff she would mail the flyer to businesses, or at least to new businesses that move into their towns.

E. *DEA Drug Take Back Collection – October 26, 2013*

Ms. Zaback stated the Wallingford Police Department and the Town of North Haven will be participating in the DEA Drug Take Back on October 26. She indicated that these

collections are open to the public and not limited to residents of where the collections were being held.

Mr. Freda added that North Haven has had tremendous success with these programs and have taken in hundreds of thousands of items out of medicine cabinets during the four years they have been participating in the program. These collections tie into a larger initiative North Haven has with their Substance Abuse Council and they have seen statistics that say 53% of children who become hooked on drugs start with prescription drugs from medicine cabinets. So, this is a very important program, they have pharmacists who work with them to log in the items at the take back facility. Ms. Zaback asked if North Haven also has a collection box at their police department. Mr. Freda said they do.

Ms. Zaback also mentioned that she received information late last week from DEEP about a new grant they have to help fund the implementation of Unit-Based Pricing program for solid waste. The grant may provide up to \$50,000 to a municipalities depending on the number of households and the strength of the application. Ms. Zaback added that the information and grant application are available on the CT DEEP website. Ms. Roach asked who the contact would be. Ms. Zaback said Jen Weymouth sent out the email with the information, but that Chris Nelson would be the main contact. Ms. Zaback informed the Policy Board that the deadline for the application was December 16, 2013 and that there would be two informational workshops for this program, which were scheduled for November 19 and 21, 2013.

VII. Next Meeting

Mr. Freda announced that the next meeting would be held on January 15, 2014.

VIII. ADJOURNMENT

The meeting was adjourned at 10:02 a.m.

Doreen Zaback
October 22, 2013