

## MINUTES OF THE SEPTEMBER 10, 2020 WRSWP SPECIAL MEETING

3:00 p.m., Wallingford Town Hall & gotomeeting.com (remotely)

### ATTENDEES

NAME	AFFILIATION	PARTICIPATION
Al Smith, Jr.	Attorney, Town of Cheshire	present
J. Brendan Sharkey	Attorney, Town of Hamden	remotely
Tim Coon	City Manager, City of Meriden	remotely
Stephanie Dellolio	Attorney, City of Meriden	remotely
Mike Freda, Chairman	First Selectman of North Haven	remotely
Jeffrey Donofrio	Attorney, Town of North Haven	remotely
Mayor William Dickinson, Jr.	Town of Wallingford	present
Janis Small	Attorney, Town of Wallingford	present
Mark Bobman	Executive Director	present
Rich Antonucci, Sr.	Country Holdings	present
Rich Antonucci, Jr.	Country Holdings	present
Mario Zangari	Attorney for Country Holdings	present
Anthony Zardello	Attorney for Country Holdings	present

Chairman Freda called the meeting to order at 2:05 p.m. and welcomed everyone, and invited Rich Antonucci, Sr. to introduce the presentation. R. Antonucci Jr. stated he represents the company that owns the transfer station; M. Zangari stated he represents Country Holdings and Transfer; and A. Zardello stated he also represents Country Holdings and Transfer.

R. Antonucci, Sr. referred to the September 10 proposal and said he assumed everyone had a copy. He explained there is no minimum in this proposal, and stated it is a five-year proposal with a renewal. R. Antonucci, Jr. stated Country used the MIRA plant as the market benchmark. He continued, unless Country's cost at MIRA increases more than 10%, then the price would be the same, and that Country wants to provide a facility where towns can get in and out quickly, and extend operating hours if necessary.

Chairman Freda noted the financial stability of its contractor is one of the things that's been important to this Board, and requested that Mr. Antonucci share information about Country's financials. R. Antonucci, Jr. stated there are two companies: Country Holding owns the facility and Country transfer is the operating agent. Both organizations are well capitalized with very little debt, Country owns the equipment with very little debt, and is ready to invest in new equipment to provide better service. He continued, Country is very focused on waste reduction. Mayor Dickinson asked what type of equipment and R. Antonucci, Sr. replied, sorting equipment.

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R. Antonucci, Jr. stated that a long term plan is to construct a rail spur. Mayor Dickinson asked whether Country had priced the equipment and R. Antonucci, Jr. said we are in the process right now. Mayor Dickinson inquired about sorting recyclables, and R. Antonucci, Sr. replied Country is anticipating a market change in the near future for cardboard and clean paper.

Attorney Sharkey inquired about the posting of a \$3 million performance bond, and Attorney Zangari clarified the posting of a bond does not imply WRSWP waives any pending claims. Attorney Smith inquired whether about the proposal suggests Country's performance bond is posted in exchange for the Covanta guarantee. Attorney Zangari responded, the intention of that language is to remove Covanta from the relationship between the Country organizations and the towns. He continued, Country would be happy to include language in a contract that clarifies WRSWP is not restricted from bringing claims for the past, present or future, and that Country is willing to revise the language.

R. Antonucci, Jr. confirmed that Country is happy to amend the language in the proposal in any way that makes the consortium comfortable.

Attorney Donofrio asked about the timing of the bond, he assumes the bond would be posted simultaneous with execution of the contracts with the towns, and Attorney Zangari replied affirmatively. Attorney Donofrio asked about financials, whether there are audited financials Country would share with the towns. R. Antonucci, Jr. replied we have to discuss that, he is sure Country can come up with something that would satisfy any concerns the consortium has about the financials of the Country organization.

Attorney Smith asked where Country stands in terms of its dispute with Covanta. Attorney Zangari replied Country does not want to get involved in any problems the towns may have with Covanta. R. Antonucci, Jr. paraphrasing Attorney Zangari's comments, stated that Country understands the concerns of WRSWP not wanting to get caught in the middle of a dispute between Country and Covanta, and Country is willing to put language in the proposal that protects WRSWP and Country.

Mayor Dickinson commented that he isn't sure how we can ensure all trucks hauling WRSWP trash will come to the Wallingford Transfer Station since Wallingford is a subscription service. R. Antonucci, Sr. stated that was in the proposal because Country is dropping the minimum tonnage. R. Antonucci, Jr. said in terms of the subscription haulers, the original contract and initial price was for a burn plant and that was honored even after closing of the burn plant, and the subscription haulers were included in that price. He continued, Country was honoring the below market price, and Country wants the subscription haulers included in this agreement. Attorney Small responded, WRSWP can only use best efforts to get trash to the facility, legally there is a constitutional argument as well as case law which precludes WRSWP from forcing subscription services to go to the Wallingford Transfer Station. Mayor Dickinson reiterated that we have no ability to control where the trash is taken, we can control delivery of Town of Wallingford trucks. R. Antonucci, Jr. stated Country may have to amend that language.

Attorney Smith asked how Country proposes to handle a significant outage or unavailability of the facility, such as equipment malfunction. R. Antonucci, Jr. responded that an equipment malfunction does not preclude the towns' ability to dump at the plant, and Country is certainly open to suggestions.

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He continued, Country could make alternate arrangements with other facilities that WRSWP would be directed to.

Attorney Small stated Country listed expanded hours which are less than the permit allows. R. Antonucci, Sr. said right now Country is open from 7:00 to 4:00 for the municipalities. Attorney Small responded, Country would have to get a permit change and Wallingford may have concerns. R. Antonucci, Jr. questioned whether it would be beneficial for the towns to extend those hours.

Chairman Freda stated the members all work together on various other committees, and the Wallingford Host Fee was always very important, and asked whether Country would be willing to discuss this with the Town of Wallingford? R. Antonucci, Sr. stated Country would be willing to meet with the Town of Wallingford about the Host Fee. R. Antonucci, Jr. remarked, it's very unusual for a host fee to be included in a transfer station agreement, and Country is willing to come to some agreement.

Attorney Sharkey stated the price Country is proposing is well in excess of what we already have in hand, and is outside the price of a bid that the Town of Hamden initiated for itself and all of the five towns, and asked about the proposed rate of \$95 per ton. R. Antonucci, Sr. replied when WRSWP had its independent study done, it was before anybody knew that MIRA was about to close and tip fees were about to skyrocket, so he believes the study is outdated. Attorney Sharkey stated the bids were for a multi-year contract, and that he is trying to understand the difference between \$88 and \$95 per ton. R. Antonucci, Jr. replied, rather than a built-in increase, if Country's price for disposal doesn't increase more than 10% you stay at \$95 per ton for all five years with the CPI, with an option to renew. Mayor Dickinson responded, we may have more questions as we think about it further.

R. Antonucci, Jr. thanked WRSWP representatives and said Country is hopeful to go forward. Attorney Zangari inquired what would be the next steps. Chairman Freda responded, WRSWP will reconvene and thanked Country for their presentation and responses to questions.

Mayor Dickinson asked about the two companies and whether Country Holdings owns the property and Country Transfer is the operator, and R. Antonucci, Jr. responded affirmatively. Attorney Smith asked whether each of the companies was guaranteeing the obligations of the other, whether there is a reciprocal guarantee. Attorney Zangari replied, Country could if necessary.

A motion to adjourn was made by Mayor Dickinson, seconded by Attorney Smith, and the motion was unanimously approved.

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Mark Bobman, Executive Director  
September 15, 2020