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## STATEMENT OF MIRA TO RESOURCE RECYCLING DECEMBER 7, 2020

The court agreed with MIRA that Republic, over several years, repeatedly failed to comply with the Operation and Maintenance Agreement with MIRA. MIRA was awarded all the damages it sought. MIRA has suffered a variety of adverse effects on its equipment from Republic's failures and the damage to MIRA still needs to be resolved. MIRA was determined by the Court to have administered its contract in good faith.

The case involved whether a 5% contamination limit was a hard and fast limit on the quality of the recyclables from the MIRA municipalities. MIRA presented significant evidence that the Agreement was never intended to include this limit as the quality of the recyclables hadn't changed in years, since the introduction of single-stream recycling. It wasn't until Republic felt the effects of China Sword, 5 years after signing the Agreement that Republic questioned the Agreement and sought to renegotiate or exit. While the Court did find a 5% limit applied, after examining Republic's alleged damages and Republic's dismal performance records, the court only awarded Republic 20% of the damages it sought at trial.

MIRA has appealed the trial court's decision to challenge further any 5% limit on the quality of the incoming recyclables from the municipalities and haulers. But instead of working to the end of the Agreement or until the legal action is resolved on appeal, Republic has decided to walk away from the agreement six months before it ends.

Tom Kirk stated, "Republic's endeavor to leave their operating responsibilities 6 months before the end of their contractual commitment is both surprising and disturbing, especially given Republic's oft articulated commitment to municipal recycling. The lack of regard for the adverse effect its premature exit will have on the 51 Connecticut municipalities MIRA serves is troubling".