

Contamination Limit/Recyclables: MRF Operator Lawsuit Alleging Connecticut Authority Violation of Sorting/Marketing Agreement



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FCR, LLC ("FCR") filed a May 28th Complaint in Superior Court (Judicial District of Hartford) alleging that Materials Innovation and Recycling Authority ("MIRA") has violated a Recycling Facility Operations and Maintenance Agreement ("Agreement").

The alleged violations by MIRA include failure to prevent excessive levels of contamination in incoming recyclables.

The Complaint states that MIRA is a Connecticut public instrumentality which operates the Connecticut Solid Waste Management System. The system processes single-stream recyclables for approximately 70 municipalities throughout the State of Connecticut. It further notes that:

. . . As part of that system, municipalities' single-stream recyclables are delivered to a MIRA-owned recycling facility located at 211 Murphy Road in Hartford, Connecticut (the "Recycling Facility"). The Recycling Facility sorts and screens incoming recyclables into different categories of recyclables, such as mixed paper, PET plastics, and aluminum cans. These sorted recyclables are then sold in bulk to specialized processing facilities throughout the United States and abroad, where they are turned into reusable raw materials.

FCR alleges that MIRA's predecessor entered into an Agreement with the company to operate and maintain the Recycling Facility on a day-to-day basis. The Agreement is alleged to have included terms that addressed definitions of the categories of recyclables FCR must accept and process. Further, it is stated that MIRA agreed that FCR would not need to process loads of recyclables that were contaminated, which were defined as:

. . . loads that consisted of more than five percent unrecoverable materials, or that originated from more than one municipality.

Such loads were to be rejected and MIRA was required to enforce terms of its municipal service agreements with municipalities to ensure they delivered loads to the Recycling Facility that complied with the Agreement's terms.

FCR alleges that these requirements were integral to ensuring its revenue (i.e., compensation under the Agreement). In other words, the company stated that the more contaminated the incoming recycling, the greater processing costs it incurred to refine the stream into salable sorted recyclables.

FCR alleges that MIRA:

- failed to enforce the terms of its municipal service agreements;
- required FCR to accept and process recyclables that fall outside the parties' Agreement;
- allowed haulers to deliver loads of single-stream recyclables that originate from more than one municipality, and
- failed to monitor the composition of loads coming to the Recycling Facility.

FCR is seeking damages for MIRA's alleged breach of the Agreement and a Declaratory Judgment that such alleged actions are events of default entitling it to terminate the Agreement without penalty.

A copy of the Complaint can be downloaded [here](#).