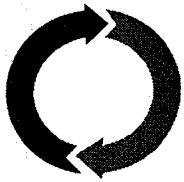


**CRRA  
BOARD MEETING  
Jan. 28, 2010**



**CONNECTICUT  
RESOURCES  
RECOVERY  
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700  
Fax (860)757-7745**

## **MEMORANDUM**

**TO:** CRRA Board of Directors  
**FROM:** Moira Kenney, Secretary to the Board/Paralegal  
**DATE:** Jan. 21, 2010  
**RE:** Notice of Meeting

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There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, Jan. 28, 2010 at 9:30 a.m. The meeting will be held in the Board Room of 100 Constitution Plaza, Hartford, Connecticut.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Connecticut Resources Recovery Authority  
Board of Directors Meeting

Agenda  
Jan. 28, 2010  
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Minutes

1. Board Action will be sought for the approval of the Dec. 29, 2009, Special Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the approval of the Dec. 17, 2009, Regular Board Meeting Minutes (Attachment 2).

I.a Action Items

IV. Board Committee Reports

A. Finance Committee Reports

1. Board Action will be sought Regarding Southwest Budget & Wheelabrator Fee (Attachment 3).
2. Board Action will be sought Regarding Disbursement of Authority Funds (Attachment 4).

B. Policies & Procurement Committee

1. Board Action will be sought for the Resolution Regarding Signatory Authority for Hazardous Waste Management Reports and Other Applicable Information (Attachment 5).
2. Board Action will be sought for the Resolution Regarding Engineering Support Associated with Installation of a Fuel Tank for the Jet Turbine Facility at the South Meadows Site (Attachment 6).

C. Organizational Synergy & Human Resources Committee

1. Board Action will be sought Regarding Senior Management Merit Increases (Attachment 7).

V. Chairman and President's Reports

VI. Executive Session

An Executive Session will be held to discuss pending litigation, real estate acquisition, pending RFP's, and personnel matters with appropriate staff.

1. Board Action will be sought Regarding Additional Projected Legal Expenditures (Attachment 8).

# TAB 1

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND SIXTIETH**

**DECEMBER 29, 2009**

A special meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, December 29, 2009, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present in Hartford were:

Chairman Michael Pace (present by telephone)

Directors: David B. Damer (present by telephone)  
Alan Desmarais  
Timothy Griswold (present by telephone)  
Michael Jarjura (present by telephone)  
Mark Lauretti (present by telephone)  
Theodore Martland  
Nicholas Mullane (present by telephone)  
Raymond O'Brien  
Linda Savitsky

Present from CRRA management:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Laurie Hunt, Director of Legal Services  
Paul Nonnenmacher, Director of Public Affairs (present by telephone)  
Moira Kenney, Secretary to the Board/Paralegal

Also present were: William Champlin, Esq. of Hinckley, Allen, & Snyder, (present by telephone); Miguel Escalera, Esq. of Kainen, Escalera & McHale, P.C.; and Thomas Ritter, Esq. of Brown Rudnick, LLP.;

Chairman Pace called the meeting to order at 10:25 a.m. and said that a quorum was present.

**PLEDGE OF ALLEGIANCE**

Chairman Pace requested that everyone stand for the Pledge of Allegiance, whereupon the Pledge of Allegiance was recited.

**PUBLIC PORTION**

Chairman Pace said that the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

As there were no members of the public present wishing to speak, Chairman Pace proceeded with the meeting agenda.

**EXECUTIVE SESSION**

Chairman Pace requested a motion to enter into Executive Session to discuss pending claims and litigation, RFP responses, and personnel matters with appropriate staff. The motion made by Vice-Chairman O'Brien and seconded by Director Martland was approved unanimously by roll call. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

Tom Kirk  
 Jim Bolduc  
 Laurie Hunt, Esq.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Jarjura, Director Griswold, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Michael Jarjura	X		
Mike Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		

The Executive Session began at 10:29 a.m. and concluded at 12:32 p.m. Chairman Pace noted that no votes were taken in Executive Session.

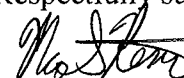
The meeting was reconvened at 12:32 p.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

**ADJOURNMENT**

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn was made by Vice-Chairman O'Brien and seconded by Director Martland was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,



Moira Kenney  
 Secretary to the Board/Paralegal

## TAB 2



**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND SIXTY-FIRST**

**DECEMBER 17, 2009**

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, December 17, 2009, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present in Hartford were:

Chairman Michael Pace

Directors: David B. Damer  
Alan Desmarais  
Timothy Griswold (present beginning 10:02 a.m.)  
Mark Lauretti (present beginning 10:11 a.m.)  
Theodore Martland  
Nicholas Mullane  
Raymond O'Brien  
Linda Savitsky  
Stephen Edwards, Bridgeport Project Ad-Hoc  
Warren Howe, Wallingford Project Ad-Hoc  
Geno Zandri, Jr., Wallingford Project Ad-Hoc

Present from CRRA management:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Jeffrey Duvall, Manger of Budgets and Forecasting  
Peter Egan, Director of Environmental Affairs & Development  
Laurie Hunt, Director of Legal Services  
Mike Tracey, Director of Operations  
Moira Kenney, Secretary to the Board/Paralegal

Also present were: Dan Mara, Esq., of Sandler & Mara; John Pizzimenti of USA Hauling & Recycling; and Jerry Tyminski of SCRRA.

Chairman Pace called the meeting to order at 9:30 a.m. and said that a quorum was present.

**PLEDGE OF ALLEGIANCE**

Chairman Pace requested that everyone stand for the Pledge of Allegiance, whereupon the Pledge of Allegiance was recited.

**PUBLIC PORTION**

Chairman Pace said that the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

As there were no members of the public present wishing to speak, Chairman Pace proceeded with the meeting agenda.

**APPROVAL OF THE NOVEMBER 19, 2009, MINUTES**

Chairman Pace requested a motion to approve the Nov. 19, 2009, minutes. Vice-Chairman O'Brien made the motion which was seconded by Director Savitsky.

The motion to approve the minutes was approved by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Martland, Director Savitsky, Director Edwards, Director Howe, and Director Zandri, voted yes. Director Mullane abstained as he was not present at the meeting.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Theodore Martland	X		
Nicholas Mullane			X
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford	X		

**RESOLUTION REGARDING THE RECEIPT OF SETTLEMENT FUNDS**

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Vice-Chairman O'Brien:

**WHEREAS**, the Connecticut Resources Recovery Authority's (the "Authority") attorneys have received \$494,463.52 in an Enron-related litigation settlement, which is part of the Mid-Connecticut Project; and

**WHEREAS**, the Mid-Connecticut Project's Hartford Landfill Post Closure Reserve is not yet fully funded; and

**WHEREAS**, the funding source for the Mid-Connecticut Project's Hartford Landfill Post Closure Reserve would otherwise be from Mid-Connecticut Project tip fees.

**NOW, THEREFORE**, it is

**RESOLVED:** that \$494,463.52 be wired to the Authority and deposited to the Hartford Landfill Post Closure Reserve account. As of November 30, 2009, the Hartford Landfill Post Closure Reserve and Hartford Landfill Post Closure Non-GASB 18 Reserve had a combined balance of \$15,701,588.

Director Desmarais seconded the motion.

Director Savitsky said that the Finance Committee held its monthly meeting and the first item for discussion concerned Enron related litigation and the disposition of the money.

Mr. Bolduc said that there has been an additional recovery from Pepe and Hazard with regard to the global settlements and there are several more cases pending. He said this resolution concerns a settlement which was received several months ago by Pepe & Hazard. Mr. Bolduc said that accounting of this was done and this is the net number after Pepe & Hazards' 12% fee. He said the money will be placed in the Hartford Landfill post-closure reserve along with other settlements which have been received in the past.

Mr. Bolduc said this settlement amount should complete the Hartford Landfill post-closure reserve based on the cost estimates for the last thirty years. He said that there is a small balance after thirty years and based on current figures and assumptions the Hartford post-closure reserve will be adequate to meet the current cost estimates. Mr. Bolduc said that this resolution provides authorization to move those funds via wire transfer from Pepe & Hazard to CRRA to be deposited in the Hartford landfill post-closure reserve.

Director Damer asked if this settlement will reduce the amount of contributions needed for the Hartford landfill post-closure reserve in FY'10 or added to what otherwise would be occurring.

Mr. Bolduc said that without this settlement the Hartford landfill post-closure reserve would have still needed \$494,000 in FY'11.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Martland, Director Mullane, and Director Savitsky voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

## **RESOLUTION REGARDING CERTAIN PROJECT RESERVES**

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Savitsky:

**WHEREAS**, The Authority has recorded its landfill postclosure liabilities on its financial statements for the Ellington, Hartford, Shelton, Wallingford and Waterbury landfills in two individual Short Term Investment Fund (STIF) for each landfill that represent the Government Accounting Standards Board (GASB) 18 and non-GASB 18 anticipated future expenses; and

**WHEREAS**, the Authority wishes to maintain accounting and reporting transparency by simplifying the manner in which it records the various postclosure landfill reserves; and

**WHEREAS**, the Authority has received an opinion from its auditors that combining the GASB 18 and non-GASB 18 reserve accounts for each landfill is acceptable as long as expenses are accounted for properly and that the Authority only files the GASB 18 portion with the Connecticut Department of Environmental Protection.

**NOW, THEREFORE, BE IT:**

**RESOLVED:** That the non-GASB 18 individual Short Term Investment Fund (STIF) accounts for the Ellington, Hartford, Shelton, Wallingford and Waterbury landfills postclosure be dissolved and that the funds from each reserve be transferred to its corresponding landfill postclosure reserve.

Director Desmarais seconded the motion.

Director Savitsky asked that the record show that this resolution was brought forward at the request and under the direction of Director Desmarais.

Director Desmarais said when setting reserves concerning the upcoming budget although the Board has some sense of how those relate to the operating budget outside of this room there is little understanding of why those reserves are there. He said by combining the GASB 18 and Non-GASB reserves (which will all be used for the same purpose) there is one reserve and one number which makes the issue easier to understand for any one outside of CRRA.

Director Damer asked why management only files the GASB 18 portion with the Connecticut Department of Environmental Protection (hereinafter referred to as the "CT DEP"). Mr. Egan explained that CRRA is only required, per governing regulations, to report and reserve for landfill closure and post-closure cost liabilities for the specific activities outlined in the GASB 18 standard. Mr. Egan said that there are some expected expenses for which management had reserved money which are not included in the scope of what the GASB 18 standards include.

Director Damer said the GASB 18 and Non GASB will be tracked separately within this reserve. Mr. Bolduc said that was correct and that management will have to keep the accounting system separate because the CT DEP does not acknowledge certain costs as being GASB concerning post-closure costs.

Chairman Pace asked Mr. Egan to provide an example of a Non-GASB expense. Mr. Egan said that Non-GASB expenses include several insurance requirements (with the exception of pollution legal

liability) some administrative expenses, indirect and direct salaries for professionals, and field service oversight done internally. Mr. Egan said that management has reserved for those costs as expenses.

Chairman Pace asked if costs have to be put aside for that overhead. Director Desmarais said that a person who goes out and does the testing of the site is covered under GASB. He said if one of CRRA’s employees has to go out and report and review the results that action is not covered by GASB. Mr. Egan said that this is correct he clarified that GASB was established primarily for municipalities with recurring tax revenues and a tax base which can be tapped each year. He said that an assumption is made that the professional staff at an administrative level will be there indefinitely to manage the contracts to oversee that towns’ MSW landfill. Mr. Egan said that because the Bridgeport Project has ended and its project member towns can not be approached for funding, management prudently reserved for these professional oversight activities. He said that in a municipality the GASB standard presumes that there will always be a staff at the municipality level to oversee landfill activities.

Director Edwards asked if the Waterbury, Bridgeport, and Shelton reserves will be identified separately and tracked separately in the case of any questions. Mr. Kirk said that was correct. Mr. Bolduc said they are not only accounted for separately they are also in separate STIF accounts.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O’Brien, Director Damer, Director Desmarais, Director Martland, Director Mullane, and Director Savitsky voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O’Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**RESOLUTION REGARDING DISBURSEMENT OF AUTHORITY FUNDS**

Chairman Pace requested a motion regarding the above-captioned matter.

**RESOLVED:** That the funds of the Authority deposited in Bank of America or otherwise invested (except Trustee-held funds) be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, acceptance, or other instruments for the payment of money or upon directions for the wire transfer of money, when made, signed, drawn, accepted, or endorsed on behalf of the Authority, by any two of the following: Michael Pace, Tom Kirk, Jim Bolduc, Bettina Ferguson, Jeffrey Duvall or Nhan Vo-Le provided,

however, wire transfers between Authority bank accounts or otherwise invested Authority funds (including to and from Trustee-held funds) shall require instructions from one of the foregoing.

**FURTHER RESOLVED:** That Trustee-held funds be subject to withdrawal or charge at an time and from time to time upon requisitions/instructions, checks, notes, drafts, bills of exchange, acceptance or other instruments for payment of money or upon directions for the wire of transfer money, when made, signed, drawn, accepted, or endorsed on behalf of the Authority, by any one of the above individuals.

Director Savitsky said that this item was moved along by the Finance Committee with no recommendation. She said there are issues concerning the resolution which need to be discussed in executive session and asked that the item be held until those discussions take place.

Director Savitsky said that the Finance Committee will start looking at some of the underlying assumptions upon which the Mid-Connecticut budget will be based because of the timing issues that need to be dealt with concerning when MDC provides CRRA with the budget. She said that the Committee will spend some time talking about the underlying assumptions concerning the budget. Chairman Pace agreed.

**RESOLUTION REGARDING CONTRACT WITH CT DEP FOR REIMBURSEMENT OF COSTS ASSOCIATED WITH ANNUAL STACK TESTING AT MID-CT RRF FOR CALENDAR YEARS 2010 AND 2011**

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Vice-Chairman O'Brien:

**RESOLVED:** That the President is hereby authorized to enter into a contract with the Connecticut Department of Environmental Protection for reimbursement of costs associated with the annual stack testing at the Mid-Connecticut RRF for calendar years 2010 and 2011, substantially as discussed and presented at this meeting.

Director Damer seconded the motion.

Mr. Egan said that this resolution details a contract which involves revenue for CRRA. He explained that every two years the CT DEP offers this contract to the six waste to energy facilities in Connecticut to reimburse the cost associated with the annual air emissions testing for CRRA specifically at the Mid-Connecticut waste to energy facility. Mr. Egan said that the reimbursement is for \$162,000 over two years. He said over the last several years CRRA has averaged around \$55,000-60,000 a year in costs to do the testing. Mr. Egan said that the CT DEP will allow \$25,000 per boiler, (CRRA has three) plus about an 80% contingency in the event that costs go up.

Mr. Egan said that this is a two year contract in which CRRA receives invoices from its stack testing contractor and then submits those to the CT DEP which reimburses CRRA for those costs. He said it covers the next two calendar years.

Vice-Chairman O'Brien asked Mr. Egan to state for the record where the CT DEP gets the funding to reimburse CRRA. Mr. Egan said that the funding comes from the solid waste assessment fee which is the \$1.50 that the six waste to energy facilities pay the State of Connecticut for every ton that

they process. He said that 2.2 million tons amounts to about \$3.5 million which goes into the general fund beginning this year and no longer flows to CT DEP's solid waste account.

Director Mullane asked if that is a wash account for what is charged to the burn per ton versus the expenditure. Director Edwards replied no, and noted that it is a large profit account. Mr. Kirk said that less than 20% which is collected from the solid waste assessment is returned to the plants for testing purposes. He said that it was originally envisioned as \$1.00 a ton for dioxin testing costs and dioxin testing costs have come down dramatically with changes in technology but the tax did not.

Mr. Egan added that when this tax was first implemented in 1990 the CT DEP had a team of employees who went around and performed the testing themselves until 1999 when the testing responsibility was placed directly on the waste management plants. He said that the CT DEP did say that the plants would be reimbursed for the costs. Mr. Egan explained that the CT DEP takes about \$3.3 million from those costs which are used for payment of CT DEP employees and other solid waste activities.

Director Damer asked if these funds are specifically earmarked in the legislation for specifically dioxin testing. Mr. Egan said that the statute has a broader scope which includes testing for air emissions, the land around waste to energy facilities and for certification training for waste to energy operators. Director Damer asked if it would be possible that CRRA may receive support for State wide education subsidies of the museum through some kind of amendment.

Chairman Pace said that it was his understanding that these funds would be taken from the CT DEP and placed in the General Fund. Director Savitsky said that Director Damer's suggestion is a good idea, but it may be the wrong time for such an amendment. Mr. Kirk said that management had included a similar suggestion in its wish list to the Legislature which was never introduced to the Committee. He said management's idea was to do two things; to expand the reach of the Solid Waste Assessment to all tons generated as opposed to those that are processed in the trash to energy facilities with the intention being CRRA is inherently subsidizing the export to less preferable means of Solid Waste disposal than the State landfills. He said this could be accomplished by not attaching this assessment to export tons, and to take the funds and dedicate them through either CRRA or the CT DEP to solid waste activities including funding of the education programs of CRRA and the CT DEP. Mr. Kirk said that although these suggestions were well received they were not introduced to the Committee. Director Damer said that in other words CRRA could not find a sponsor for these suggestions within the Environmental Committee. Mr. Kirk said that was correct.

Vice-Chairman O'Brien said that he is concerned about CRRA receiving this reimbursement now that it is in the general fund. Vice-Chairman O'Brien said that fact needs to be considered when the Board looks at the 2011 budget. He said if the money is not appropriated for reimbursement CRRA may never get it.

Mr. Egan said that the fact is that stack testing has to be done each year at the cost of \$60,000 regardless of whether the funds are received from CT DEP. He said that the Board could always remove the projected revenue from the Mid-CT budget to be conservative. Mr. Egan said that CRRA does have a two year contract with the CT DEP which is also being signed for the next two years. He said that management does not know what will happen after those two years.

Director Desmarais asked why this is considered a contract as opposed to a grant and was it a request by the CT DEP. Mr. Egan said that it is called a grant-in-aid agreement.

Director Griswold said that management had hoped to use the bottle bill escheats to help pay these costs. Chairman Pace explained that instead of going to the CT DEP the dollars associated with the stack testing may wind up in the general fund and may be redirected to the CT DEP.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Martland, Director Mullane, and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**RESOLUTION REGARDING MID-CONNECTICUT PROJECT SOLID WASTE TRANSPORTATION AND DISPOSAL WORK**

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Vice-Chairman O'Brien:

**WHEREAS:** That the President is hereby authorized to execute agreements for Mid-Connecticut Project solid waste export transportation and disposal work with the following firms, substantially as presented and discussed at this meeting:

- CWPM, LLC
- F&G, LLC
- Riccelli Enterprises, Inc.
- Santaro Development, LLC
- Waste Management of Massachusetts, Inc.

Director Damer seconded the motion.

Mr. Kirk said that this issue was discussed at length during the Policies & Procurement Committee meeting. He explained that it stems from management's desire to take advantage of the change in market prices for exporting spot waste. Mr. Kirk said that CRRA is required to have vendors



previously certified (by acceptable counterparties) for export and spot market trash activities. He said that in the past that has restricted CRRA from taking advantage of discounted pricing during the year.

Mr. Kirk said having a longer list of potential preselected counterparties and the ability to choose the lowest bidder and best value provider on an as needed basis should present a substantial savings in the coming season.

Vice-Chairman O'Brien asked what the current price of diesel is and noted that \$2.75 a gallon was used in the bid process. Vice-Chairman O'Brien said that his concern on the local level is that diesel is more than auto gasoline and is running closer to \$3.00 a gallon.

Mr. Kirk said that was correct. He explained that management has the right to adjust fuel prices if they move 10 cents in either direction. Mr. Tracey said that before executing the contracts management can make an adjustment.

Director Griswold said that there is not much overlap in these companies. He asked if there was an attempt to obtain comparable pricing. Mr. Kirk said that it is unfortunate that haulers typically join with a disposal provider team for an all in price. He said that due to this factor, geographical constraints, and the number of haulers in the business the options are limited. Mr. Kirk said that CRRA is better off than in the past because management can make decisions on an as needed basis.

Ms. Hunt said that she wanted to be clear that the CRRA is not paying the firms through the contracts unless they are called on if needed. She explained that the assumption is that some or all of these will be over \$50,000. Ms. Hunt said that by approving the contracts the Board is approving payment of more than \$50,000 and noted that adding a sentence to the resolution to clarify this fact can certainly be done.

**AMENDMENT TO THE MOTION REGARDING MID-CONNECTICUT PROJECT SOLID WASTE TRANSPORTATION AND DISPOSAL WORK**

Vice-Chairman O'Brien made a friendly amendment to the motion. He said that after the colon the phrase "to retain and pay these firms for services on an as needed basis" would be added.

Director Damer agreed as the seconder of the motion.

**VOTE ON THE RESOLUTION REGARDING MID-CONNECTICUT PROJECT SOLID WASTE TRANSPORTATION AND DISPOSAL WORK AS AMENDED**

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Vice-Chairman O'Brien:

**WHEREAS:** That the President is hereby authorized to execute agreements for Mid-Connecticut Project solid waste export transportation and disposal work with the following firms, substantially as presented and discussed at this meeting: to retain and pay these firms for services on an as needed basis.

- CWPM, LLC
- F&G, LLC

- Riccelli Enterprises, Inc.
- Santaro Development, LLC
- Waste Management of Massachusetts, Inc.

Director Damer seconded the motion.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**PRESIDENT'S REPORT**

Mr. Kirk said that management has made an administrative change to its procedure with regards to payment and time concerning soil contracts. He said that there had been some difficulty with several of CRRA's counterparties receiving reimbursement from the Department of Transportation, (hereinafter referred to as the "DOT"). Mr. Kirk explained that CRRA has always had the protection of guaranteed payment through the GOP bond; however CRRA's procedure called for calling that bond after a certain amount of time. He explained management along with the Board's consensus, felt this was not reasonable given the fact that the DOT was taking much longer to reimburse CRRA's haulers. Mr. Kirk said that management is taking steps administratively to eliminate the need to pull the GOP in the event that the DOT is late in paying the haulers.

Mr. Kirk said that discussion concerning a corrosion issue on the 30 million gallon aviation fuel tank at the South Meadows facility has taken place over the last few months. He said that the investigation and engineers report indicate the tank should be taken out of service by August 2011. Mr. Kirk said that management has made plans for construction of a new and smaller tank with the appropriate containment facilities however CRRA's chosen contractor has indicated a discomfort with the scope of the repair so it is not moving as quickly as management had hoped.

Mr. Kirk said that management will be looking for additional contactors. He noted that there is a substantial amount of time to effect that construction and get the tank out of service by August 2011.

Vice-Chairman O'Brien asked Mr. Kirk if management is also looking into selling the facility. Mr. Kirk responded yes.

Director Martland said that there is a German company which can redo the interior of tanks and pipes and a company in Waterbury is using their patent. Mr. Kirk said that he did not know if this option was specifically looked into. He said however, that the corrosion issue is on a section of the tank called the chime which is the inch and a half flange that surrounds the bottom of the tank and is not a coating issue. He said according to CRRA's expert contract engineers this corrosion is not repairable. Mr. Kirk said that the tank is also larger than is necessary and most importantly the containment for that tank is a huge footprint of the site. He said that the new tank will likely be 500,000 gallons which will be a more efficient payment mechanism.

Mr. Kirk said that management is also considering the sale of the jet assets in addition to investigating the fuel tank replacement repair. He said further information will be provided as the investigations proceed and noted that a sale would free up assets for a possible reduction in tip fees. Mr. Kirk said with the expiration of the bonds they will no longer be necessary as dedicated revenue enhancers for operation of the electric generators facility which is why CRRA has these jets in the first place.

Mr. Kirk said that management is continuing to examine an innovative process residue disposal initiative, a gasification initiative. He said this particular initiative has passed managements' initial scrutiny and would take a relatively homogeneous mix of process residue and gasify those into a vessel composter yielding a synthetic gas which can then be sent to an internal combustion engine for generation of electricity. He said this would earn valuable renewable energy credits or could be sold to a consumer. He said in both cases a nearby consumer such as the Metropolitan District Commission (hereinafter referred to as the "MDC") may be interested and has been introduced to the preliminary possibilities. Mr. Kirk said that this concept is still very preliminary and more information will be presented in the future. He said that grant request authority has been provided to Mr. Nonnenmacher for the specific purposes of education fund-raising, an administrative change which he is pointing out to the Board.

Mr. Kirk said that CRRA and MDC's arbitration issue continues and is stalled on the choice of the party arbitrator. He said that both MDC and CRRA have chosen a party arbitrator and that arbitration is taking place under the American Arbitration Association rules which require the arbitrators be independent. Mr. Kirk said that management is in a dispute over MDC's choice of an arbitrator an issue which they hope to resolve.

Chairman Pace asked why management was arguing over MDC's representation. Mr. Kirk said that MDC's attorney had represented MDC in bond related issues in the past which management does not feel meets the standard of independence. He said that he believes MDC's position is that the party appointed arbitrator does not need to be independent.

Mr. Kirk said that the American Arbitration Association rules stipulate that a panel of three arbitrators must be chosen, one independent by plaintiff and dependent, and a third independent which is chosen together unless there is a dispute in which case the American Arbitration Association will chose the third.

Mr. Kirk said that the Future Options Committee for the Mid-Conn facility met this past week and began the initial process of identifying potential options. He said the Committee will be meeting on a bi-monthly basis.

Mr. Kirk said the potential draft MSA's for post 2012 disposal by the towns is underway and drafts are expected by the Spring. He said commentary will be asked for from the member towns in order to provide options for consideration before 2010.

Director Damer said that Mr. Kirk had mentioned bringing someone from the Legislative Review Committee to make a presentation regarding the findings of their study. Mr. Kirk said the Program Review and Investigations staff did an extraordinary job studying the solid waste industry for the Legislature and if they were available management is looking into having them make a similar presentation on their findings. Chairman Pace said that he would like all Directors present for such a presentation.

Director Desmarais asked if the staff had undertaken this study on a special basis or as a routine calendar event. Mr. Kirk said that he would look into his question.

**MOTION TO ADD AN ITEM TO THE AGENDA CONCERNING APPROVAL OF THE CRRA BOARD AND COMMITTEE MEETINGS FOR 2010**

Chairman Pace requested a motion to add an item to the agenda concerning the approval of the CRRA Board and Committee Meeting Dates for 2010.

The motion was made by Vice-Chairman O'Brien and seconded by Director Martland.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Lauretti, Director Martland, Director Mullane, Director Savitsky, Director Edwards, Director Howe, and Director Zandri voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford	X		

**VOTE ON APPROVAL OF THE CRRA BOARD AND COMMITTEE MEETINGS FOR 2010 AS POSTED TO THE SECRETARY OF STATE**

Chairman Pace requested a motion regarding the above-captioned matter. The motion was made by Vice-Chairman O'Brien and seconded by Director Desmarais.

Vice-Chairman O'Brien said that these dates have been posted with the Secretary of the State.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Lauretti, Director Martland, Director Mullane, Director Savitsky, Director Edwards, Director Howe, and Director Zandri voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford	X		

**EXECUTIVE SESSION**

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition, pending RFP's, and personnel matters with appropriate staff. The motion made by Vice-Chairman O'Brien and seconded by Director Damer was approved unanimously by roll call. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

- Tom Kirk
- Jim Bolduc
- Laurie Hunt, Esq.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Michael Jarjura	X		
Mike Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Jr., Wallingford			

The Executive Session began at 10:35 a.m. and concluded at 12:32 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:32 p.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

**RESOLUTION REGARDING DISBURSEMENT OF AUTHORITY FUNDS**

Chairman Pace requested a motion regarding the above-captioned matter. The motion was made by Vice-Chairman O'Brien and seconded by Director Martland.

**RESOLVED:** That the funds of the Authority deposited in Bank of America or otherwise invested (except Trustee-held funds) be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, acceptance, or other instruments for the payment of money or upon directions for the wire transfer of money, when made, signed, drawn, accepted, or endorsed on behalf of the Authority, by any two of the following: Michael Pace, Tom Kirk, Jim Bolduc, Bettina Ferguson, Jeffrey Duvall or Nhan Vo-Le provided, however, wire transfers between Authority bank accounts or otherwise invested Authority funds (including to and from Trustee-held funds) shall require instructions from one of the foregoing.

**FURTHER RESOLVED:** That Trustee-held funds be subject to withdrawal or charge at an time and from time to time upon requisitions/instructions, checks, notes, drafts, bills of exchange, acceptance or other instruments for payment of money or upon directions for the wire of transfer money, when made, signed, drawn, accepted, or endorsed on behalf of the Authority, by any one of the above individuals.

**MOTION TO TABLE THE RESOLUTION REGARDING DISBURSEMENT OF AUTHORITY FUNDS**

Chairman Pace requested a motion regarding the above-captioned matter. Director Savitsky made the motion to table.

**RESOLVED:** That the funds of the Authority deposited in Bank of America or otherwise invested (except Trustee-held funds) be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, acceptance, or other instruments for the payment of money or upon directions for the wire transfer of money, when made, signed, drawn, accepted, or endorsed on behalf of the Authority, by any two of the following: Michael Pace, Tom Kirk, Jim Bolduc, Bettina Ferguson, Jeffrey Duvall or Nhan Vo-Le provided, however, wire transfers between Authority bank accounts or otherwise invested Authority funds (including to and from Trustee-held funds) shall require instructions from one of the foregoing.

**FURTHER RESOLVED:** That Trustee-held funds be subject to withdrawal or charge at an time and from time to time upon requisitions/instructions, checks, notes, drafts, bills of exchange, acceptance or other instruments for payment of money or upon directions for the wire of transfer money, when made, signed, drawn, accepted, or endorsed on behalf of the Authority, by any one of the above individuals. Director Martland

Vice-Chairman O'Brien seconded the motion to table the resolution regarding disbursement of authority funds.

The motion to table was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Michael Jarjura	X		
Mike Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

Chairman Pace requested a motion on the above-referenced item. Vice-Chairman O'Brien made the motion, which was seconded by Director Martland.

**WHEREAS**, CRRA has entered into Legal Service Agreements with various law firms to perform legal services; and

**WHEREAS**, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2010 projected legal fees; and

**WHEREAS**, CRRA expects to incur greater than authorized legal expenses for General Counsel services;

**NOW THEREFORE, it is RESOLVED:** That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2010:

<u>Firm:</u>	<u>Amount:</u>
Halloran & Sage	\$635,000

**AMENDMENT TO THE RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

Director Savitsky made a friendly amendment to reduce the legal expenditures to \$300,000. Director Martland agreed as the seconder of the motion.

**VOTE ON THE AMENDED RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

Chairman Pace requested a motion on the above-referenced item. Director Savitsky made the motion, which was seconded by Director Martland.

**WHEREAS**, CRRA has entered into Legal Service Agreements with various law firms to perform legal services; and

**WHEREAS**, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2010 projected legal fees; and

**WHEREAS**, CRRA expects to incur greater than authorized legal expenses for General Counsel services;

**NOW THEREFORE, it is RESOLVED:** That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2010:

<u>Firm:</u>	<u>Amount:</u>
Halloran & Sage	\$300,000



The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Desmarais, Director Griswold, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE REPORT**

Director Griswold noted that the Human Resources and Organizational Synergy Committee had met earlier that week. He said the implementation of merit raises was addressed. Director Griswold said that the budget contains an \$86,000 line item which represents a 2% merit which is separate from the cost of living increase. He said that the merit increase has not been granted for at least a year.

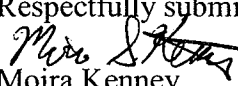
Director Griswold said that the Committee had discussed that over the last few years the cost sharing nature of the employee benefits has changed and the cost of living has been used to negate those increases. He said that the Committee voted unanimously to recommend that the Board approve the merit increase for the upcoming budget. Mr. Kirk said that senior management will not be included in this recommendation.

Director Griswold said that the merit increases are based on performance and is not a uniform increase. Mr. Kirk said that the average employee would see less than a 2% increase.

**ADJOURNMENT**

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn was made by Vice-Chairman O'Brien and seconded by Director Martland was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,  
  
 Moira Kenney  
 Secretary to the Board/Paralegal

# TAB 3

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FISCAL YEAR 2011  
SOUTHWEST DIVISION  
DRAFT OPERATING BUDGET**

**January 28, 2010**

**REGARDING THE ADOPTION OF  
THE 2011 SOUTHWEST DIVISION  
OPERATING BUDGET AND TIP FEE**

**RESOLVED:** That the fiscal year 2011 SouthWest Division operating budget be adopted substantially in the form as presented and discussed at this meeting; and

**FURTHER RESOLVED:** That a fiscal year 2011 municipal solid waste tip fee of \$64.16 per ton be adopted for contracted member waste.

# Proposed 2011 SouthWest Division Operating Budget

*January 28, 2010*

Attached is the proposed operating budget and tip fee for the SouthWest Division for the period July 01, 2010 through June 30, 2011.

## **EXECUTIVE SUMMARY**

- The fiscal year 2011 proposed operating budget totals \$16,745,766. The proposed budget assumes 261,000 tons of MSW.
- The tip fee of \$64.16 per ton includes a contract operating cost of \$62.11 and administration fee of \$2.05 per ton.
- The contract cost is based on 75% of the change in the Consumer Price Index series identification CWURA101SA0LE as prescribed in the Wheelabrator contract.
- The administration fee based on the change in the Consumer Price Index series identification CWURA101SA0LE as prescribed in the Municipal Solid Waste Agreements.

# CRRA / SOUTHWEST DIVISION MSW OPERATIONS

## MEMBER TIP FEE

	ADOPTED FY10	PROPOSED FY11
Member Tip Fee MSW	\$ 63.00	\$ 64.16

## BUDGET ASSUMPTIONS

	DESCRIPTION	ADOPTED FY10	PROPOSED FY11
Operating Fee per ton	Wheelabrator Contract Operating Charges	\$ 61.00	\$ 62.11
	CRRA Administration Fee	\$ 2.00	\$ 2.05
		\$ 63.00	\$ 64.16
FISCAL YEAR 2011	MSW tons	261,000	261,000
Member Town Minimum Tonnage Commitment	Bethany	1,652	1,652
	Bridgeport	60,808	60,808
	Easton	2,912	2,912
	Fairfield	48,000	48,000
	Milford	41,457	41,457
	Monroe	12,339	12,339
	Orange	5,500	5,500
	Shelton	18,102	18,102
	Stratford	27,144	27,144
	Trumbull	19,945	19,945
	Westport	19,500	19,500
	Woodbridge	3,641	3,641

## REVENUE

	DESCRIPTION	ADOPTED FY10	PROPOSED FY11
	Member Tip Fee	\$ 16,443,005	\$ 16,745,766
	Total Revenue	\$ 16,443,005	\$ 16,745,766

## EXPENSES

	DESCRIPTION	ADOPTED FY10	PROPOSED FY12
	Wheelabrator Contract Operating Charges	\$ 15,921,005	\$ 16,210,715
	Allocation to Salaries & Overhead	\$ 522,000	\$ 535,050
	Total Expenditures	\$ 16,443,005	\$ 16,745,766
	Balance	\$ -	\$ -

# TAB 4

## **RESOLUTION REGARDING DISBURSEMENT OF AUTHORITY FUNDS**

**RESOLVED:** That the funds of the Authority deposited or invested in any financial institution (except Trustee-held funds) be subject to withdrawal at any time through checks, notes, drafts, bills of exchange, acceptance, or other instruments (including wire transfer and electronic banking) for the payment of money when made, signed, accepted or endorsed on behalf of the Authority, by two of the following: Tom Kirk, Jim Bolduc, Bettina Ferguson, Jeff Duvall or Tina Mateo, provided however that Tom Kirk, Jim Bolduc or Bettina Ferguson must at least be one of the two signers.

**FURTHER RESOLVED:** That any funds transferred solely between Authority bank accounts shall require a signature from only one of the individuals authorized above.

**FURTHER RESOLVED:** That funds of the Authority held by the Trustee be subject to withdrawal at any time upon written requisitions or instructions for the payment of money, when made, signed, accepted or endorsed on behalf of the Authority by any one of the individuals authorized above.



## Background and Summary

A resolution regarding disbursement of Authority funds is required for the Authority's banking institutions. Specifically, any banking institution requires a board-approved list of the authorized signatories to operate its funds and accounts, with includes: authority to sign checks and other items and to provide written instruction to withdraw funds; to endorse and deposit checks and other items payable to or belonging to the account; and to transact other administrative business relating to the account, including closing the account.

The first "Resolved" states that funds withdrawn from Authority accounts to be paid to an outside party, business or person requires the signature of two of the individuals listed, provided that at least one of the signatures is Tom Kirk, Jim Bolduc or Bettina Ferguson. For example, all checks issued by the Authority carry the signatures of both Tom Kirk and Jim Bolduc.

The next "Resolved" states that funds transferred solely between Authority accounts require the signature of only one of the individuals listed. For example, a transfer from an Authority STIF account to an Authority Trustee account requires only one signature.

The final "Resolved" states that only for the Authority's Trustee accounts, any one of the individuals listed may submit requisitions or instructions for payment to an outside party, business or person. For example, monthly payment to the Mid-Conn project operator is made by the Trustee upon receipt of written instruction and supporting documentation submitted by the Authority with only one signature.

This proposed resolution adds Jeff Duvall and Tina Mateo (who is the backup for Bettina Ferguson), deletes Chairman Pace (who was originally included during management transition due to Enron matter) and Nhan Vo-Le and also reflects the name change of Bettina Bronisz to Bettina Ferguson.

# TAB 5

**RESOLUTION REGARDING SIGNATORY AUTHORITY  
FOR HAZARDOUS WASTE MANAGEMENT REPORTS AND  
OTHER APPLICABLE INFORMATION**

**RESOLVED:** Pursuant to Conn. Gen. Stat. Section 22a-277(c) the board hereby authorizes the President to delegate to David M. Bodendorf, Senior Environmental Engineer, and Christopher R. Shepard, Environmental Engineer, as duly authorized representatives of the Authority, the authority to sign permit-required reports and other applicable information submitted by CRRA to the Connecticut Department of Environmental Protection, in connection with hazardous waste management and permitting programs, substantially as presented and discussed at this meeting. This delegation of authority, in the President's opinion, would be appropriate for the prompt and orderly transaction of the business of the Authority.

# **Connecticut Resources Recovery Authority**

## **Signatory Authority for Hazardous Waste Management Reports and Other Applicable Information**

*January 28, 2010*

### **Background**

On September 16, 2009, the Connecticut Department of Environmental Protection (CT-DEP) issued two "Stewardship Permits" to CRRA to perform post-closure care and corrective action measures at the Shelton Landfill and the Wallingford Landfill. These Stewardship Permits were issued in accordance with the Connecticut hazardous waste permit program, and govern post-closure care and corrective action at each landfill on a site-wide basis (i.e., the Stewardship Permits do not apply to just the hazardous waste disposal cell at each landfill).

The Stewardship Permits also require CRRA to submit various reports and other applicable information to CT-DEP related to compliance with hazardous waste management regulations and permits. The Connecticut hazardous waste management regulations at RCSA 22a-449(c)-110, incorporating 40 CFR 270.11(b), require that all reports required by permits, and other information submitted to the Commissioner of the CT-DEP, be signed by the principal executive officer of CRRA, or his/her duly authorized representative. In the case of CRRA, the President is the principal executive officer, and Peter W. Egan, in his position as Director of Environmental Affairs and Development, was duly authorized by the President in a letter to the Commissioner of the CT-DEP dated February 4, 2003.

### **Discussion**

This resolution is to request that the CRRA Board of Directors authorize the President of CRRA to delegate as duly authorized representatives, for the purpose of signing permit-required reports and other applicable information related to compliance with hazardous waste management regulations and permits, the following two CRRA employees:

1. David M. Bodendorf, Senior Environmental Engineer; and,
2. Christopher R. Shepard, Environmental Engineer.

Mr. Bodendorf and Mr. Shepard both report directly to Mr. Egan. Mr. Bodendorf is responsible for oversight of the day-to-day operation and maintenance of CRRA's landfill systems, for conducting quarterly inspections of the landfills, and for reporting associated with these operation, maintenance, and inspection activities. Mr. Shepard is responsible for oversight of water quality (groundwater and surface water) monitoring at CRRA's landfills, and for reporting associated with these monitoring activities. Mr. Bodendorf and Mr. Shepard are both licensed Professional Engineers in the state of Connecticut.

This signatory authority will be extended by the President, in writing, to Mr. Bodendorf and Mr. Shepard in accordance with the hazardous waste management regulations at RCSA 22a-449(c)-110 incorporating 40 CFR 270.11. Correspondence will be submitted to CT-DEP notifying them that such authority has been delegated to these two individuals.

# TAB 6

**RESOLUTION REGARDING ENGINEERING SUPPORT  
ASSOCIATED WITH INSTALLATION OF A FUEL TANK  
FOR THE JET TURBINE FACILITY AT THE SOUTH  
MEADOWS SITE**

**RESOLVED:** That the President is hereby authorized to enter into a contract with TRC Environmental Corporation to provide engineering support associated with the installation of a new fuel tank at the South Meadows Jet Turbine Facility, substantially as discussed and presented at this meeting.

# **Connecticut Resources Recovery Authority**

## **Contract Summary for Contract entitled**

### **Engineering Services to Support Installation of a New Jet Fuel Tank at the South Meadows Site**

Presented to the CRRA Board on: January 28, 2010

Vendor/ Contractor(s): TRC Environmental Corporation

Effective date: Upon Execution

Contract Type/Subject matter: Request for Services (RFS), pursuant to a 3 year engineering services agreement.

Facility (ies) Affected: Mid-Connecticut – South Meadows Site, Jet Turbine Facility.

Original Contract: 3 Yr Eng Services Agreement

Term: Through June 30, 2010, at which time the agreement ends. A new RFS (under a new contract) will be issued for work that will take place after June 2010.

Contract Dollar Value: \$77,928.00 for services provided in FY2010.  
(Note: additional \$26,000 of engineering services will be provided in FY2011. CRRA will contract for these services separately, on or after July 1, 2010).

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services: Geotechnical investigation, foundation design, site engineering and piping design, and permitting associated with the installation of a new fuel tank associated with the South Meadows Jet Turbine Facility.

Other Pertinent Provisions: N/A



**Connecticut Resources Recovery Authority  
Mid-Connecticut Project – South Meadows  
Engineering Services Associated with Installation of a New  
Jet Fuel Tank**

*January 28, 2010*

**Executive Summary**

A recent inspection of the jet fuel tank associated with the Jet Turbine Facility (JTF) at the South Meadows site identified an area of the tank that is corroded. At its September 2009 meeting CRRA's Board of Directors authorized the expenditure of funds to replace this tank.

CRRA intends to engage an engineering firm to provide engineering services to support installation of a new fuel tank. This is to request that the CRRA Board of Directors authorize the President to enter into a contract with TRC Environmental Corporation (TRC) to provide engineering support associated with installation of a new jet fuel tank at the South Meadows site.

**Discussion**

***Background***

During an external inspection of the JTF fuel tank conducted by a qualified contractor in June 2009 for NGS (CRRA's contracted operator of the JTF), it was identified that the chime area of the tank is corroded back to the bottom-to-shell tank wall weld. The last external inspection, performed in 2004 did not reveal this chime corrosion.

The chime area is essentially an extension of the floor bottom past the outer shell tank wall where both the floor and shell wall meet and are seam welded (seam weld is inside and outside the tank shell wall). The chime area extends past the outside shell wall roughly about an inch and half to two inches. The corroded part of the chime is approximately 8 feet long on the perimeter of the tank. The June 2009 external inspection found no substantive structural findings. Based on the chime corrosion it was determined by CRRA and NGS that an internal robotic inspection of the jet fuel tank should be performed.

The internal robotic inspection of the jet fuel tank was performed during the week of August 17<sup>th</sup>, 2009. The inspection included an external (under tank bottom) inspection of the affected chime area, a dye penetrant inspection of the welds in the affected area, and a robotic internal inspection with special attention to the affected area.

Based on the finding from the inspections, it appears that the jet fuel tank is not in imminent danger of failure, but the tank has experienced significant corrosion and is reaching the end of its service life.

Given the difficulty in predicting exact corrosion rates and given the age of the tank, it is the inspection company's (Intank Services, Inc.) recommendation that the tank be removed from service and inspected and repaired within 2 years from this date (removed from service no later than August 2011).

At its September 2009 meeting, CRRA's Board of Directors authorized expenditure of funds to replace the existing tank with a new tank.

Prompt replacement of the tank is important for two reasons. First, although the inspection report indicated that there is not an imminent danger of tank failure, it is prudent to eliminate the risk of a release of jet fuel from the tank as soon as possible. Second, in the event the tank failed and had to be taken out of service, the revenues CRRA receives from this facility would be jeopardized. CRRA receives payments on a monthly basis from Select Energy. These payments totaled \$6,086,084 in fiscal year 2009; monthly revenues range from approximately \$200,000 to \$1.5 million. Additionally, in the event the JTF lost its revenue generating ability, CRRA might be found liable for losses incurred by Select Energy.

### ***Tank Size***

CRRA intends to replace the existing tank, which was constructed in 1946 and has a 5.5 million gallon capacity, with a much smaller 500,000 gallon tank. Based on discussions with NGS (the operator) and with Select Energy (the power purchaser), a 500,000 gallon tank will provide adequate capacity to serve the "Black Start" capability of the facility.

The value of the JTF is in its ability to supply to ISO-New England a small increment of energy on those days of the year when the New England Electric Grid is demanding maximum power. Most of the revenues generated by the facility are capacity payments (based on the jet turbines' availability to run in the event they are dispatched) and "black start" payments (based on the capability to reenergize the grid in the event of a catastrophic regional power outage). The JTF was dispatched by ISO-New England to actually produce energy for only 2.5 hours during 2009. The smaller tank size will not compromise the revenue generating potential that the JTF currently provides. Further, this size tank will not diminish the value of the JTF when/if CRRA chooses to sell this asset. Again, this facility is a "peaking unit" (as opposed to a "baseload" unit, or a

“load-following” unit), and the value of the JTF is in the small, incremental power capacity it assures is available to ISO-New England if needed, as well as the black start capability; its value regarding actual energy production is relatively insignificant.

Note also that the secondary containment system for the existing 5.5 million gallon tank includes approximately 10 acres of the South Meadows site – land that is surrounded with an earthen berm. In the event of a release of fuel oil the land would serve to contain the material. This situation precludes the use of this acreage for other activities. The new tank will have built-in secondary containment (essentially a tank-in-a-tank), and so the acreage that is currently encumbered will be freed for other uses.

### ***Engineering Services to Support Installation of a New Tank***

In September 2009 CRRA management had received indication from the JTF operator, NGS, that NGS could procure replacement of the tank, and would do so. NGS has since advised CRRA that it is not prepared to undertake such procurement; NGS stated that this design and construction project is too large and complex for NGS staff to manage.

Instead, CRRA will directly undertake a public solicitation to engage a company that will install a new fuel tank. Prior to soliciting bids for this construction work, various site evaluation, foundation design, tank design, bid document preparation, and permitting activities must first be conducted. CRRA intends to engage TRC to undertake the various engineering tasks necessary to support solicitation of this tank construction project.

The following engineering and environmental consulting tasks will be undertaken by TRC to support CRRA in this initiative:

- Geotechnical Investigation and Foundation Analysis
- Civil Site Engineering and Piping Design
- Tank Foundation and Slab Design, Drawings and Details
- Preparation of Bid Documents (Plans, Specs, Estimate)
- Work Plans and Submittals
- Environmental Permitting Applications and Plan Revisions (includes SPCC, Stormwater, Wetlands, Title V)
- Construction Permitting Applications and Plan Revisions (includes allowances for Hydrostatic Testing Application, local fire marshal, Tier 2 State Fire Codes, Building Dept, FAA)

- CT Siting Council approval
- Coordination with local utility companies

Of those firms with which CRRA has engineering consulting agreements, TRC is the best qualified firm to undertake the engineering support work associated with this project. First, the engineering activities associated with this work, as outlined above, involve both general engineering as well as environmental engineering – TRC was selected under the RFQ process for both these consulting categories, and was rated most favorably in both categories. TRC is a large, Connecticut headquartered engineering and environmental consulting firm with the depth and breadth to successfully manage this project.

Second, and significantly, TRC has been undertaking remediation activities (involving both soil and groundwater, as well as onsite structures) since 2001 pursuant to the Exit Strategy contract between CRRA and TRC, and consequently has an intimate familiarity with the South Meadows site in terms of the subsurface environment and site-wide utility layout and configuration, and has a seasoned working relationship with CRRA's onsite operating contractors (Covanta, MDC, and NGS), as well as Northeast Utilities/CL&P which has electric distribution related easements on the site.

Pursuant to CRRA purchasing procedures and Connecticut statute, CRRA can award this work to TRC as a Request for Services under the existing three year engineering and consulting services agreement, which agreement was established through a public solicitation process.

Because these services will continue beyond the end of the current three year engineering services agreement between TRC and CRRA, the Request for Services associated with this approval is for an amount not to exceed \$78,000. These funds will provide for geotechnical investigation and foundation analysis, civil site engineering and piping design, tank foundation and slab design, drawings and detail, bid document preparation and certain environmental permitting activities. These tasks are anticipated to be completed by June 30, 2010, the term date of the current three year engineering services agreement with TRC.

The remainder of the tasks will be accomplished during the next fiscal year for a cost of approximately \$26,000.

### **Financial Summary**

Funds for this expenditure will come from the Mid-Connecticut Jets/EGF Reserve. The board previously approved \$1,200,000 from this reserve account for installation of a new jet fuel tank.

**TAB 7**

**RECOMMENDED RESOLUTION REGARDING  
ORGANIZATIONAL SYNERGY & HUMAN RESOURCES  
COMMITTEE RECOMMENDATION to the BOARD of DIRECTORS  
REGARDING PERFORMANCE and MERIT INCREASES of  
SENIOR MANAGEMENT.**

**RESOLVED:** That the Board of Directors authorizes a merit increase of 1.9% for the Senior Management.

# **Connecticut Resources Recovery Authority Merit Increases for Senior Management**

***January 28, 2010***

## **Executive Summary**

CRRA's Senior Management, comprised of Laurie Hunt, Director of Legal Services and Peter Egan, Director of Environmental Affairs and Development, received a performance rating of Meets Expectations for the calendar year 2009 as determined by the CEO Tom Kirk. Based on the performance rating and merit increase guidelines for 2009, an increase of 1.9% is warranted and applicable, with an effective date of February 1, 2010.



**Recommendation**

**In accordance to the Performance Management process used by CRRA, Management and the Organizational Synergy & Human Resources Committee recommends that the Board of Directors approve a 1.9% merit increase for Senior Management.**

# TAB 8

**BOARD RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

**WHEREAS**, the Attorney General has entered into a Professional Services Agreement with the law firm of Pepe & Hazard LLP for the prosecution of the Enron Global litigation, pursuant to which Agreement, the Authority pays the out-of-pocket expenses of such litigation; and

**WHEREAS**, the Board of Directors has previously authorized a certain amount for payment of such projected expenses during fiscal year 2010; and

**WHEREAS**, CRRA expects to incur additional legal expenses in connection with this matter;

**NOW THEREFORE, it is RESOLVED:** That the following additional amount be authorized for payment of legal expenses to be incurred through June 30, 2010:

<u>Firm:</u>	<u>Amount:</u>
Pepe & Hazard	\$35,000

**Further RESOLVED:** That the President be authorized to expend up to \$35,000 from the Post Litigation Reserve Account for payment of legal expenses incurred in the remaining months of fiscal year 2010 in connection with the Enron Global litigation continuing under the aegis of the Attorney General.

## **CONNECTICUT RESOURCES RECOVERY AUTHORITY**

### **Request regarding Authorization for Payment of Projected Additional Legal Expenses**

January 28, 2010

#### **Executive Summary**

This is to request Board authorization for payment of additional projected fiscal '10 legal expenses.

#### **Discussion:**

Contrary to our expectations, Judge Harmon has not yet ruled on the Motions to Dismiss filed by the remaining financial institution defendants in the Enron Global lawsuit.

We are therefore seeking board authorization to incur additional legal expenses for these matters.

As indicated in the draft resolution attached, the funds for these expenses are proposed to come from the Post Litigation Reserve Account.