

CRRA

July 18, 2013 Board Meeting

Public Act 13-285 Review

Index

- I. Introduction**
- II. Process Review and outline of Sections 7, 8 and 9**
- III. Transfer of Landfill Reserve Funds, Obligations and Liabilities**
- IV. Attachments**
 - A. Public Act No. 13-285**
 - B. Solid Waste Plan, Executive Summary – 2006**
 - C. Consultants**
 - D. Section 7 Audit (s) Funding and Board Resolution**
 - E. CRRA Purchase Order Transmittal Letter and Board Resolution to DEEP**
 - F. Section 9 Transition Plan Funding and Board Resolution**
 - G. Landfill Transfer Communication to DEEP**
 - H. Timetable Gantt Chart**

INTRODUCTION

CRRA
Tasks and their Implementation Rising from Public Act 13-285 and the Proposed
State Budget and Budget Implementer

I. Introduction

At the June 28th regular meeting of the CRRA Board of Directors, the Board requested that management review the recently adopted legislative initiatives and provide an outline of the process that might be utilized to execute CRRA responsibilities specified in these initiatives.

Additionally, the directors requested scheduling a Board retreat on August 21, 2013 in lieu of the regular meeting. This retreat is expected to provide guidance, focus and decisions on means, scope, resources and funding necessary for the implementation of PA-13-285 Section 9, the transition plan for CRRA.

Attached is the requested outline for use in discussion at the July 18 Board meeting. It includes documents Management believes would be important to review and refer to in the process of developing the statutes required plans. This includes the summary of the current State Solid Waste Management Plan which is the governing document for CRRA's mission.

A critical challenge for the CRRA is timing. The package includes a simple gantt chart that illustrates the challenges with implementing specific directives in the statute. For example the deadline for CRRA's transition plan, for which we are to consult with the Section 8 Task Force is prior to the date of the report of the task force. Additionally, the composition of the Section 7 and 8 groups are dependent on appointments by political leaders that to date have not filled the positions. This is likely to impact CRRA's Section 9 activities and report.

Finally, the consideration of hiring external consultants can be done through the use of existing pre-qualified parties in our procurement stables or obtained through a request for proposal process in accordance with the CRRA procurement process. Timing is of the essence and the work to meet the statutory deadlines for Section 9 needs to begin immediately in order to develop a comprehensive quality report.

Process Review & Outline

Sec. 7, 8, 9

II.

Process Review and Outline

Section 7: Audit (s)

A. Requirements

1. DEEP/OPM To Initiate
2. CRRA to provide up to \$500,000 in funding and cooperate fully
3. To commence no later than June 30, 2013
4. Audits to include but not limited to review and analysis of:
 - a. Review or analysis of prior investigations of Authority
 - b. Financial Condition of Authority
 - c. Authority's short and long-term liabilities, including, but not limited to, such liabilities to bondholders, employees, former employees, and such liabilities from lawsuits, leases, contractual obligations and any other matters
 - d. Authority's existing and projected revenues
 - e. Authority's cash flow projections for each of the next three calendar years
 - f. Authority's operations, including, but not limited to human resources, facilities use, information technology services, and identification of potential operating efficiencies
 - g. Authority's internal controls, financial management and risk management practices
 - h. Any transaction of said Authority.
5. Summary of Findings by DEEP to Governor et.al. by October 30, 2013.

B. Source of Funds – see Attachment D for schedule and resolution

C. Payment of Funds see Attachment E for purchase order from CRRA to DEEP and Transmittal letter.

D. Process Questions and Directions

1. What level of involvement, does the CRRA Board want for itself, e.g. Board Committee?
2. Does the Board want to pay funding in one lump sum or as progress payments? If latter what requirements does the Board want?
3. Purchase Order requirement that all auditor inquiries and requests be in writing and provide for adequate turnaround time.

II. Section 8 Resources Recovery Task Force

A. Requirements

1. 13 appointments by the executive and legislative branches to study the operations, financial stability and business models for resource recovery facilities operating in the state.
2. Commissioner of DEEP or designee to serve as chairperson.
3. First meeting no later than 60 days from passage
4. DEEP administrative staff to serve as administrative staff of task force
5. Report to be submitted by December 15, 2013 to appropriate joint standing committee of General Assembly and task force terminates.
6. Report to include:
 - (a) A review of the applicable statutes and regulations regarding renewable energy certificate credits provided to resource recovery facilities in the state and a recommendation on whether such statutes should be modified. For any such recommendation, the task force shall specify the expected economic impact that such recommendation will have on resource recovery facilities, municipalities and energy consumers in the state;
 - (b) An analysis of the financial status of the resource recovery facilities operating in the state and recommendations to improve such status, including, but not limited to, whether bilateral purchasing agreements between resource recovery facility-based businesses and the state or municipalities would provide a mechanism for improving the long-term financial stability of such facilities;
 - (c) Recommendations for any changes to the statutes and regulations concerning bilateral purchase agreements and a description of the effect that such recommendations would have on the anticipated structure of such agreements and the financial impacts such agreements would have on resource recovery facilities, municipalities and energy consumers in the state;
 - (d) A recommendation on whether resource recovery facilities in this state should be defined as an “electric municipal utility” for the purpose of the municipalities such facilities serve; and
 - (e) Any other recommendations the task force deems appropriate concerning the future of resource recovery facilities in the state and the long-term financial status of such facilities.

B. Process Questions and Directions

1. What level of involvement, does the CRRA Board want for itself, e.g., Board Committee?
2. Requirement that task force inquires and requests be in writing through a centralized CRRA staff member..
3. Task force should be able to obtain directly from the Section 7 Auditors much of needed data concerning CRRA. CRRA should have limited involvement due to the legislative requirement that DEEP staff to provide support.

II. Section 9 Transition Plan

A. Requirements

1. CRRA to develop a Transition Plan for
 - a. Achieving a sustainable business model that improves the long-term stability of said authority or
 - b. Conducting the dissolution of said authority and the dispensing of said authority's assets
 - c. Submittal of plan by November 30, 2013 to appropriate executive and legislative bodies
 - d. The plan to be developed in consultation with the Section 8 task force.
 - e. The plan shall detail and give consideration to, but not be limited to, an assessment of:
 - (1) The benefits and consequences of: (i) The closure or sale of the Mid-Connecticut Resource Recovery Facility, (ii) the transaction of such facility to an alternative use such as a solid waste management facility, and (iii) the sale of other authority assets;
 - (2) The reductions in authority expenses, including, but not limited to, management fees, labor costs, contract obligations and legal fees;
 - (3) Said authority's financial and legal liabilities and an evaluation of whether such liabilities may be eliminated or mitigated;
 - (4) The operational requirements of said authority's regional transfer stations, landfills and any other functional role of said authority;
 - (5) Said authority's state-wide role in the area of bonding, education and development and how much transition plan affects that role; and
 - (6) The post-closure responsibilities and liabilities of said authority for landfills under said authority's care and control.

B. Source of Funds – see Attachment F for schedule and resolution

C. Process Questions and Directions

1. Board concurrence that the transition plan will be predicated on the most current State of Connecticut Solid Waste Plan dated December 2006 and using the 2006 plan and existing MSA's and contracts as the baseline for CRRA's financial forecast.

2. Developing the final plan will be an iterative process subject to the determination and findings of the audit(s) and task force recommendations in Sections 7 and 8. CRRA Board will need to resolve timetable conflict as Section 8 deliverables are not coincident with Section 9.
3. Consultants from CRRA's existing prequalified list per Attachment C will be used to assist in the development of the plan.
4. Board approval of Final Transition Plan at November 21, 2013 Board meeting.

Landfill Transfer & Responsibility

III. Transfer of Landfill Reserve Funds and Landfill Liabilities to CT DEEP

1. Section 236 of H.B. No. 6706 states that, effective upon passage: “The Department of Energy and Environmental Protection and the Connecticut Resources Recovery Authority shall enter into a memorandum of understanding requiring the department to assume all legally required obligations resulting from the closure of the landfills located in Hartford, Ellington, Waterbury, Wallingford and Shelton.”
2. Section 99 of Public Act 13-184 states that, effective July 1, 2013: “Notwithstanding any provision of the general statutes, the sum of up to \$35,000,000 shall be transferred from the resources of the Connecticut Resource Recovery Authority (CRRA) and credited to the resources of the General Fund for the fiscal year ending June 30, 2014.”
3. CRRA staff met with DEEP staff on March 6, 2013 and again on March 22, 2013 to discuss logistics, issues, etc. involved in transferring landfill liabilities to the state of CT. At these meetings CRRA provided to DEEP written summaries of the Property ownership and infrastructure at each of the landfills; list of Leases and Access Agreements associated with the landfills; summary of O&M activities, tasks and contracts; list of permits, licenses and authorizations; list of consent orders which have not yet been closed out; post-closure costs estimates; and a compliance calendar for FY2014.
4. CRRA sent correspondence to Commissioner Esty on June 12, 2013 regarding meeting to commence development of the MOU required pursuant to Section 236 of H.B. No. 6706
5. Transfer of Liabilities includes the following:
 - a. Execution of the MOU.
 - b. Transfer of all appropriate permits to the State of CT.
 - c. Conveyance of all property owned by CRRA which is associated with the landfills (i.e., landfill proper, or adjacent property owned for plume control) to the state of CT.
 - d. Transfer of all liability and obligations related to the landfills to the State of CT.
 - e. Assignment to State of CT of several agreements, including lease agreements, associated with the landfills or landfill property.

Attachments

TAB A



Substitute Senate Bill No. 1081

Public Act No. 13-285

AN ACT CONCERNING RECYCLING AND JOBS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 22a-207a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) As used in sections 22a-208d, 22a-208q and subsection (b) of section 22a-228: (1) "Composting" means a process of accelerated biological decomposition of organic material under controlled conditions; (2) "mixed municipal solid waste" means municipal solid waste that consists of mixtures of solid wastes which have not been separated at the source of generation or processed into discrete, homogeneous waste streams such as glass, paper, plastic, aluminum or tire waste streams provided such wastes shall not include any material required to be recycled pursuant to section 22a-241b; [.] and (3) "mixed municipal solid waste composting facility" means a volume reduction plant where mixed municipal solid waste is processed using composting technology.

(b) As used in this chapter, "end user" means any person who uses a material for such material's original use or any manufacturer who uses a material as feedstock to make a marketable product.

Sec. 2. Section 22a-208f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Notwithstanding the provisions of section 22a-208a, a scrap metal processor, as described in section 14-67w, shall not be required to obtain a permit under [said] section 22a-208a if on or before [July 1, 1990] July 31, 2014, and annually [on March thirty-first thereafter, he] thereafter, such scrap metal processor submits to the Commissioner of Energy and Environmental Protection, on a form prescribed by the commissioner, the amount of scrap metals generated within the borders of the state and purchased or received [from any municipality, municipal or regional authority, the state or any political subdivision of the state listed by town of origin. He shall also send to each Connecticut municipality included in such listing a copy of such information pertaining to the municipality] by such processor for the prior state fiscal year, including a good faith estimate of the amount received directly from instate construction or demolition sites. Such report shall identify the monthly

materials are recycled at any authorized source-separated organic material composting facility that has available capacity and that will accept such source-separated organic material.

Sec. 5. (NEW) (*Effective October 1, 2013*) The Commissioner of Energy and Environmental Protection, in consultation with other state agencies or quasi-public agencies, shall identify opportunities for the establishment of a new, or the expansion of any existing, recycling infrastructure investment program.

Sec. 6. (NEW) (*Effective October 1, 2013, and applicable to assessment years commencing on or after said date*) (a) For the purposes of this section:

(1) "Municipality" has the same meaning as provided in section 12-129r of the general statutes.

(2) "Recycling" has the same meaning as provided in section 22a-207 of the general statutes.

(b) Any municipality may, by ordinance adopted by its legislative body, provide an exemption from property tax for any machinery or equipment used in connection with recycling that is installed on or after October 1, 2013. Any such exemption shall apply only to: (1) The increased value of the commercial or industrial property that is attributable to such machinery or equipment, and (2) the first fifteen assessment years following installation of such machinery or equipment.

Sec. 7. (NEW) (*Effective from passage*) (a) Not later than June 30, 2013, the Department of Energy and Environmental Protection, in consultation with the Office of Policy and Management, shall initiate one or more audits of the Connecticut Resources Recovery Authority. The Connecticut Resources Recovery Authority shall cooperate fully with any such audit and shall pay the cost of any such audit provided such payment shall not exceed a cumulative total of five hundred thousand dollars. Any such audit may include, but need not be limited to, a review or analysis of: (1) The results of any such audits, review of any investigation of said authority or by said authority that occurred prior to the effective date of this section, (2) the financial condition of said authority, (3) said authority's short and long-term liabilities, including, but not limited to, such liabilities to bond holders, employees, former employees and such liabilities from lawsuits, leases, contractual obligations and any other matter, (4) said authority's existing and projected revenues, (5) said authority's cash flow projections for each of the next three calendar years, (6) said authority's operations, including, but not limited to, human resources, facilities use, information technology services, and identification of potential operating efficiencies, (7) said authority's internal controls, financial management and risk management practices, and (8) any transaction of said authority.

(b) On or before October 30, 2013, the Department of Energy and Environmental Protection, in conjunction with the Office of Policy and Management, shall provide a summary of the findings of such audits to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to the environment, appropriations and government administration.

cognizance of matters relating to energy, in accordance with the provisions of section 11-4a of the general statutes. Such report shall include:

- (1) A review of the applicable statutes and regulations regarding renewable energy certificate credits provided to resource recovery facilities in the state and a recommendation on whether such statutes should be modified. For any such recommendation, the task force shall specify the expected economic impact that such recommendation will have on resource recovery facilities, municipalities and energy consumers in the state;
 - (2) An analysis of the financial status of the resource recovery facilities operating in the state and recommendations to improve such status, including, but not limited to, whether bilateral purchasing agreements between resource recovery facility-based businesses and the state or municipalities would provide a mechanism for improving the long-term financial stability of such facilities;
 - (3) Recommendations for any changes to the statutes and regulations concerning bilateral purchase agreements and a description of the effect that such recommendations would have on the anticipated structure of such agreements and the financial impacts such agreements would have on resource recovery facilities, municipalities, and energy consumers in the state;
 - (4) A recommendation on whether resource recovery facilities in this state should be defined as an "electric municipal utility" for the purpose of the municipalities such facilities serve; and
 - (5) Any other recommendations the task force deems appropriate concerning the future of resource recovery facilities in the state and the long-term financial status of such facilities.
- (g) The task force shall terminate on the date it submits such report or December 15, 2013, whichever is later.

Sec. 9. (NEW) (*Effective from passage*) The Connecticut Resources Recovery Authority shall develop a transition plan for: (1) Achieving a sustainable business model that improves the long-term financial stability of said authority, or (2) conducting the dissolution of said authority and the disposing of said authority's assets. Such plan shall be transmitted to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment on or before November 30, 2013. Such plan shall be developed in consultation with the Resources Recovery Task Force established in section 2 of this act. In developing such plan, the authority shall detail and give consideration to, but not be limited to, an assessment of:

- (A) The benefits and consequences of: (i) The closure or sale of the Mid-Connecticut Resource Recovery Facility, (ii) the transition of such facility to an alternative use such as a solid waste management facility, and (iii) the sale of other authority assets;
- (B) The reductions in authority expenses, including, but not limited to, management fees, labor costs, contract obligations and legal fees;

the Governor, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive, high-level experience in the energy field; two appointed by the president pro tempore of the Senate, one of whom shall be a municipal official of a municipality having a population of more than fifty thousand and one of whom shall have extensive high-level experience in public or corporate finance or business or industry; two appointed by the speaker of the House of Representatives, one of whom shall be a municipal official of a municipality having a population of more than fifty thousand and one of whom shall have extensive high-level experience in public or corporate finance or business or industry; two appointed by the minority leader of the Senate, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive high-level experience in public or corporate finance or business or industry; two appointed by the minority leader of the House of Representatives, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive, high-level experience in the environmental field. No director may be a member of the General Assembly. Not more than two of the directors appointed by the Governor shall be members of the same political party. The appointed directors shall serve for terms of four years each, provided, of the directors first appointed for terms beginning on June 1, 2002, (1) two of the directors appointed by the Governor, one of the directors appointed by the president pro tempore of the Senate, one of the directors appointed by the speaker of the House of Representatives, one of the directors appointed by the minority leader of the Senate and one of the directors appointed by the minority leader of the House of Representatives shall serve an initial term of two years and one month, and (2) the other appointed directors shall serve an initial term of four years and one month. The appointment of each director for a term beginning on or after June 1, 2004, shall be made with the advice and consent of both houses of the General Assembly. The Governor shall designate one of the directors to serve as chairperson of the board, with the advice and consent of both houses of the General Assembly. The chairperson of the board shall serve at the pleasure of the Governor. Any appointed director who fails to attend three consecutive meetings of the board or who fails to attend fifty per cent of all meetings of the board held during any calendar year shall be deemed to have resigned from the board. Any vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment for the balance of the unexpired term. As used in this subsection, "municipal official" means the first selectman, mayor, city or town manager or chief financial officer of a municipality that has entered into a solid waste disposal services contract with the authority and pledged the municipality's full faith and credit for the payment of obligations under such contract.

(d) The chairperson shall, with the approval of the directors, appoint a president of the authority who shall be an employee of the authority and paid a salary prescribed by the directors. The president shall supervise the administrative affairs and technical activities of the authority in accordance with the directives of the board.

(e) Each director shall be entitled to reimbursement for said director's actual and necessary expenses incurred during the performance of said director's official duties.

Said report shall also include a report on any loans made to the authority under section 22a-268d. The steering committee shall terminate on December 31, 2002, unless extended by the board.]

[(i)] (h) The board may delegate to three or more directors such board powers and duties as it may deem necessary and proper in conformity with the provisions of this chapter and its bylaws. At least one of such directors shall be a municipal official, as defined in subsection (c) of this section, and at least one of such directors shall not be a state employee.

[(j)] (i) Appointed directors may not designate a representative to perform in their absence their respective duties under this chapter.

[(k)] (j) The term "director", as used in this section, shall include such persons so designated as provided in this section and this designation shall be deemed temporary only and shall not affect any applicable civil service or retirement rights of any person so designated.

[(l)] (k) The appointing authority for any director may remove such director for inefficiency, neglect of duty or misconduct in office after giving the director a copy of the charges against the director and an opportunity to be heard, in person or by counsel, in the director's defense, upon not less than ten days' notice. If any director shall be so removed, the appointing authority for such director shall file in the office of the Secretary of the State a complete statement of charges made against such director and the appointing authority's findings on such statement of charges, together with a complete record of the proceedings.

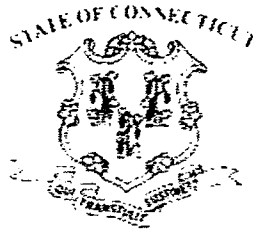
[(m)] (l) The authority shall continue as long as it has bonds or other obligations outstanding and until its existence is terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state of Connecticut.

[(n)] (m) The directors, members and officers of the authority and any person executing the bonds or notes of the authority shall not be liable personally on such bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director, member or officer of the authority be personally liable for damage or injury, not wanton or wilful, caused in the performance of such person's duties and within the scope of such person's employment or appointment as such director, member or officer.

[(o)] (n) Notwithstanding the provisions of any other law to the contrary, it shall not constitute a conflict of interest for a trustee, director, partner or officer of any person, firm or corporation, or any individual having a financial interest in a person, firm or corporation, to serve as a director of the authority, provided such trustee, director, partner, officer or individual shall abstain from deliberation, action or vote by the authority in specific respect to such person, firm or corporation.

Sec. 11. Subsection (a) of section 22a-221 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The state, any municipality or any municipal or regional authority may make contracts for the exercise of its corporate or municipal powers with respect to the collection,



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(b) As used in this chapter, "end user" means any person who uses a material for such material's original use or any manufacturer who uses a material as feedstock to make a marketable product.

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materials are recycled at any authorized source-separated organic material composting facility that has available capacity and that will accept such source-separated organic material.

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Sec. 6. (NEW) (*Effective October 1, 2013, and applicable to assessment years commencing on or after said date*) (a) For the purposes of this section:

(1) "Municipality" has the same meaning as provided in section 12-129r of the general statutes.

(2) "Recycling" has the same meaning as provided in section 22a-207 of the general statutes.

(b) Any municipality may, by ordinance adopted by its legislative body, provide an exemption from property tax for any machinery or equipment used in connection with recycling that is installed on or after October 1, 2013. Any such exemption shall apply only to: (1) The increased value of the commercial or industrial property that is attributable to such machinery or equipment, and (2) the first fifteen assessment years following installation of such machinery or equipment.

Sec. 7. (NEW) (*Effective from passage*) (a) Not later than June 30, 2013, the Department of Energy and Environmental Protection, in consultation with the Office of Policy and Management, shall initiate one or more audits of the Connecticut Resources Recovery Authority. The Connecticut Resources Recovery Authority shall cooperate fully with any such audit and shall pay the cost of any such audit provided such payment shall not exceed a cumulative total of five hundred thousand dollars. Any such audit may include, but need not be limited to, a review or analysis of: (1) The results of any such audits, review of any investigation of said authority or by said authority that occurred prior to the effective date of this section, (2) the financial condition of said authority, (3) said authority's short and long-term liabilities, including, but not limited to, such liabilities to bond holders, employees, former employees and such liabilities from lawsuits, leases, contractual obligations and any other matter, (4) said authority's existing and projected revenues, (5) said authority's cash flow projections for each of the next three calendar years, (6) said authority's operations, including, but not limited to, human resources, facilities use, information technology services, and identification of potential operating efficiencies, (7) said authority's internal controls, financial management and risk management practices, and (8) any transaction of said authority.

(b) On or before October 30, 2013, the Department of Energy and Environmental Protection, in conjunction with the Office of Policy and Management, shall provide a summary of the findings of such audits to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to the environment, appropriations and government administration.

cognizance of matters relating to energy, in accordance with the provisions of section 11-4a of the general statutes. Such report shall include:

- (1) A review of the applicable statutes and regulations regarding renewable energy certificate credits provided to resource recovery facilities in the state and a recommendation on whether such statutes should be modified. For any such recommendation, the task force shall specify the expected economic impact that such recommendation will have on resource recovery facilities, municipalities and energy consumers in the state;
 - (2) An analysis of the financial status of the resource recovery facilities operating in the state and recommendations to improve such status, including, but not limited to, whether bilateral purchasing agreements between resource recovery facility-based businesses and the state or municipalities would provide a mechanism for improving the long-term financial stability of such facilities;
 - (3) Recommendations for any changes to the statutes and regulations concerning bilateral purchase agreements and a description of the effect that such recommendations would have on the anticipated structure of such agreements and the financial impacts such agreements would have on resource recovery facilities, municipalities, and energy consumers in the state;
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 - (5) Any other recommendations the task force deems appropriate concerning the future of resource recovery facilities in the state and the long-term financial status of such facilities.
- (g) The task force shall terminate on the date it submits such report or December 15, 2013, whichever is later.

Sec. 9. (NEW) (*Effective from passage*) The Connecticut Resources Recovery Authority shall develop a transition plan for: (1) Achieving a sustainable business model that improves the long-term financial stability of said authority, or (2) conducting the dissolution of said authority and the disposing of said authority's assets. Such plan shall be transmitted to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment on or before November 30, 2013. Such plan shall be developed in consultation with the Resources Recovery Task Force established in section 2 of this act. In developing such plan, the authority shall detail and give consideration to, but not be limited to, an assessment of:

- (A) The benefits and consequences of: (i) The closure or sale of the Mid-Connecticut Resource Recovery Facility, (ii) the transition of such facility to an alternative use such as a solid waste management facility, and (iii) the sale of other authority assets;
- (B) The reductions in authority expenses, including, but not limited to, management fees, labor costs, contract obligations and legal fees;

the Governor, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive, high-level experience in the energy field; two appointed by the president pro tempore of the Senate, one of whom shall be a municipal official of a municipality having a population of more than fifty thousand and one of whom shall have extensive high-level experience in public or corporate finance or business or industry; two appointed by the speaker of the House of Representatives, one of whom shall be a municipal official of a municipality having a population of more than fifty thousand and one of whom shall have extensive high-level experience in public or corporate finance or business or industry; two appointed by the minority leader of the Senate, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive high-level experience in public or corporate finance or business or industry; two appointed by the minority leader of the House of Representatives, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive, high-level experience in the environmental field. No director may be a member of the General Assembly. Not more than two of the directors appointed by the Governor shall be members of the same political party. The appointed directors shall serve for terms of four years each, provided, of the directors first appointed for terms beginning on June 1, 2002, (1) two of the directors appointed by the Governor, one of the directors appointed by the president pro tempore of the Senate, one of the directors appointed by the speaker of the House of Representatives, one of the directors appointed by the minority leader of the Senate and one of the directors appointed by the minority leader of the House of Representatives shall serve an initial term of two years and one month, and (2) the other appointed directors shall serve an initial term of four years and one month. The appointment of each director for a term beginning on or after June 1, 2004, shall be made with the advice and consent of both houses of the General Assembly. The Governor shall designate one of the directors to serve as chairperson of the board, with the advice and consent of both houses of the General Assembly. The chairperson of the board shall serve at the pleasure of the Governor. Any appointed director who fails to attend three consecutive meetings of the board or who fails to attend fifty per cent of all meetings of the board held during any calendar year shall be deemed to have resigned from the board. Any vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment for the balance of the unexpired term. As used in this subsection, "municipal official" means the first selectman, mayor, city or town manager or chief financial officer of a municipality that has entered into a solid waste disposal services contract with the authority and pledged the municipality's full faith and credit for the payment of obligations under such contract.

(d) The chairperson shall, with the approval of the directors, appoint a president of the authority who shall be an employee of the authority and paid a salary prescribed by the directors. The president shall supervise the administrative affairs and technical activities of the authority in accordance with the directives of the board.

(e) Each director shall be entitled to reimbursement for said director's actual and necessary expenses incurred during the performance of said director's official duties.

Said report shall also include a report on any loans made to the authority under section 22a-268d. The steering committee shall terminate on December 31, 2002, unless extended by the board.]

[(i)] (h) The board may delegate to three or more directors such board powers and duties as it may deem necessary and proper in conformity with the provisions of this chapter and its bylaws. At least one of such directors shall be a municipal official, as defined in subsection (c) of this section, and at least one of such directors shall not be a state employee.

[(j)] (i) Appointed directors may not designate a representative to perform in their absence their respective duties under this chapter.

[(k)] (j) The term "director", as used in this section, shall include such persons so designated as provided in this section and this designation shall be deemed temporary only and shall not affect any applicable civil service or retirement rights of any person so designated.

[(l)] (k) The appointing authority for any director may remove such director for inefficiency, neglect of duty or misconduct in office after giving the director a copy of the charges against the director and an opportunity to be heard, in person or by counsel, in the director's defense, upon not less than ten days' notice. If any director shall be so removed, the appointing authority for such director shall file in the office of the Secretary of the State a complete statement of charges made against such director and the appointing authority's findings on such statement of charges, together with a complete record of the proceedings.

[(m)] (l) The authority shall continue as long as it has bonds or other obligations outstanding and until its existence is terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state of Connecticut.

[(n)] (m) The directors, members and officers of the authority and any person executing the bonds or notes of the authority shall not be liable personally on such bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director, member or officer of the authority be personally liable for damage or injury, not wanton or wilful, caused in the performance of such person's duties and within the scope of such person's employment or appointment as such director, member or officer.

[(o)] (n) Notwithstanding the provisions of any other law to the contrary, it shall not constitute a conflict of interest for a trustee, director, partner or officer of any person, firm or corporation, or any individual having a financial interest in a person, firm or corporation, to serve as a director of the authority, provided such trustee, director, partner, officer or individual shall abstain from deliberation, action or vote by the authority in specific respect to such person, firm or corporation.

Sec. 11. Subsection (a) of section 22a-221 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The state, any municipality or any municipal or regional authority may make contracts for the exercise of its corporate or municipal powers with respect to the collection,

TAB B

STATE OF CONNECTICUT

State Solid Waste Management Plan Amended December 2006

Executive Summary & Table of Recommended Strategies

Gina McCarthy, Commissioner



Changing the Balance



State of Connecticut
Department of Environmental Protection
79 Elm Street
Hartford, Connecticut 06106-5127
www.ct.gov/dep

Executive Summary and Table of Recommended Strategies
Excerpted from
STATE OF CONNECTICUT SOLID WASTE MANAGEMENT PLAN,
AMENDED DECEMBER 2006

This document contains excerpts from the State of Connecticut State Solid Waste Management Plan, Amended December 2006. Included are the Executive Summary and the Table of Recommended Strategies which lists the objectives and corresponding strategies and outlines for each: the type of action needed; the assigned priority; anticipated new costs; the initiation timeframe; and the lead and/or key partners for implementation.

The entire Plan can be accessed on the CT DEP website at: www.ct.gov/dep The Plan consists of five chapters and eleven appendices. The Plan's contents includes the following:

- **Chapter 1** is the introduction which provides the purpose of the Plan, statutory and regulatory authorities for the Plan, the adoption process, solid waste management plan consistency requirements, the solid waste planning framework, and identifies variables potentially impacting solid waste management in Connecticut.
- **Chapter 2** summarizes Connecticut's current conditions and practices, provides solid waste projections, identifies key factors affecting solid waste management in Connecticut, and identifies key issues that will determine the State's future directions.
- **Chapter 3** presents Connecticut's long range vision to treat solid waste as a valuable resource, including principles and goals that will be used as a guide to the State's efforts in managing solid waste.
- **Chapter 4** presents an outline for action, including specific objectives and strategies for eight critical areas.
- **Chapter 5** outlines implementation approaches to the Plan and begins with a discussion on roles and responsibilities by both the public and private sectors and ends with a comprehensive listing of recommended strategies.

The appendices to this Plan were prepared to provide detailed background information that was considered during the development of the Plan.

The Plan includes eight objectives, with a total of seventy-five strategies. Listed below are the objectives, each with a descriptive narrative.

- **Source Reduction** – Catalyze shifts in consumer, business, product manufacturing, and solid waste processing practices that reduce the amount and toxicity of waste generated in Connecticut.
- **Recycling and Composting** – Move aggressively to strengthen Connecticut's public and private reuse, recycling and composting efforts and infrastructure to increase the quantity and quality of recovered materials and to build resilient, highly efficient and continually improving programs to reduce the amount of solid waste Connecticut disposes, both now

EXECUTIVE SUMMARY

Introduction

The Connecticut Department of Environmental Protection (the Department or CT DEP) has amended the State Solid Waste Management Plan in accordance with Section 22a-228 of the Connecticut General Statutes (CGS). It replaces the State Solid Waste Management Plan that was adopted in 1991. CGS Section 22a-229 requires that *...after adoption of a state-wide solid waste management plan pursuant to section 22a-228, any action taken by a person, municipality, or regional authority that is governed by this chapter shall be consistent with such plan.* Since the adoption of the 1991 Plan, solid waste management has changed dramatically from mainly a state and local issue to one that is increasingly a regional, national, and global issue.

This new Plan will now serve as the basis for Connecticut's solid waste management planning and decision making for the period fiscal year 2005 through FY2024. The Plan addresses a wide range of solid wastes, focusing primarily on municipal solid waste (or MSW, what is commonly considered household and commercial trash) and debris resulting from construction and/or demolition activities (C&D waste). Though some other special wastes are addressed, hazardous wastes are not covered. The Plan examines the existing state of solid waste management in Connecticut, identifies the problems that exist and the barriers to solving those problems, sets out a vision and goals and presents strategies to help achieve those goals and realize the vision. Within the immediate five-year period, Connecticut will focus on implementing the higher priority strategies listed in the Plan.

In developing this Plan, the Department worked extensively with the public and the specially created CT DEP Solid Waste Management Plan External Stakeholders Working Group. The External Stakeholders Working group included representatives from municipal and government associations, regional solid waste management authorities, the solid waste management industry, the recycling sector, community and environmental groups, and business and waste generating industries. Implementing the Plan will involve all the citizens of Connecticut to address the solid waste issues facing the state and will require not only changes in personal and business practices, but also legislative changes and increases in funding at the state, regional, and local levels to support new and expanded solid waste management programs.

Vision Statement and Goals

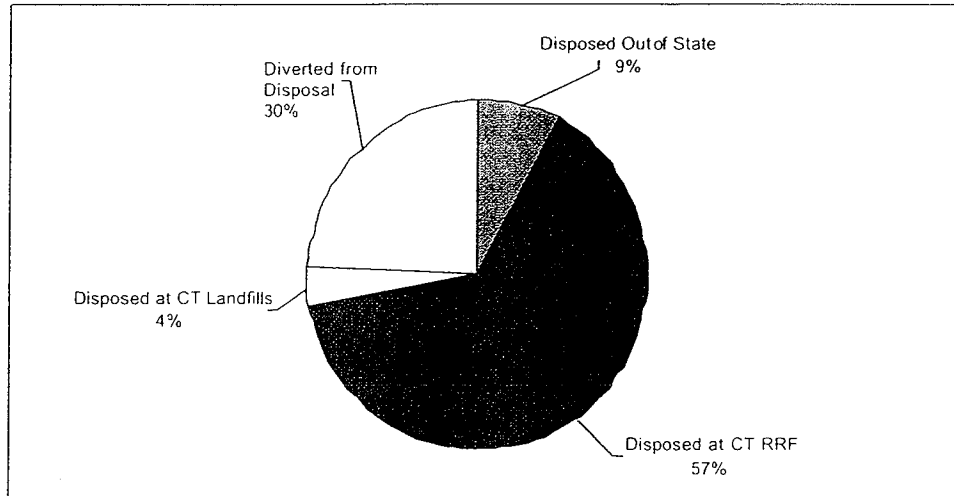
Connecticut's long-range vision for solid waste management is to:

- Significantly transform our system into one based on resource management through collective responsibility for the production, use, and end-of-life management of products and materials in the state;

ES Figure 1

Management of Connecticut MSW, FY 2005; MSW Generated is Estimated at 3,805,000 tons.

(Estimated by R.W. Beck based on FY2003 & FY2004 Data Reported to the CT DEP and Estimates of Non-reported Recyclables)



Through recycling efforts in Connecticut, MSW recycling rates have increased from less than five percent before recycling became mandatory in 1991 to almost thirty percent of the MSW generated in FY2005. This estimate includes non-reported recyclables such as bottle bill material and additional commercial recycling. Composting of yard wastes (leaves and brush) and grass cycling have been successful in Connecticut at both diverting waste from disposal and yielding useful end products. However, composting of other organic materials has been less successful. Consequently, composting of source separated organics remains significantly underutilized in Connecticut. Although recycling and composting have been successful in Connecticut, recycling rates have stagnated over the last ten years. At the same time, the population and per capita waste generation rates have increased. As a result, if waste reduction and recycling efforts are not reinvigorated and if more waste is not diverted from disposal, Connecticut will face an increasing need for disposal capacity at a time when available land is in shorter supply, construction and operating costs are higher, and the public is less willing to accept additional waste disposal facilities.

RRF Ash Residue

The six MSW RRFs in the State generate an average of approximately 551,000 tons per year of ash residue. Two landfills in the State are permitted to accept and dispose of RRF ash residue. The Connecticut Resources Recovery Authority (CRRA) ash landfill in Hartford is estimated to reach capacity and close in October 2008. The Wheelabrator ash landfill in Putnam is estimated to reach capacity and close by FY2018. This is based on a number of assumptions detailed in the Plan, including the following: no new RRF capacity will be built in Connecticut, all Connecticut RRFs will continue to operate, and the Bristol RRF will start sending its ash residue to the Putnam ash landfill after June 2008, when its current contract with a New York state landfill expires.

4-3, with a more full discussion in Appendix J. Projections were made for four broad scenarios.

MSW Projections Scenarios

Connecticut's *MSW in-state disposal capacity* is determined by the in-state landfill capacity and the in-state RRF capacity. The *MSW in-state disposal capacity shortfall* is the MSW disposed subtracted from the in-state disposal capacity.

Scenario 1. The current MSW diversion from disposal rate, 30 percent, remains the same and would result in increasing annual in-state disposal capacity shortfalls reaching 1.5 million tons by FY2024.

Scenario 2. The current MSW diversion rate increases to 40 percent (goal prescribed by state statute) by FY2015 and remains at 40 percent through FY2024. A 40 percent MSW disposal diversion rate would still result in increasing annual in-state disposal capacity shortfall for MSW of 931,000 tons by FY2024.

Scenario 3. The current MSW diversion rate increases to 49 percent by FY2024 thereby maintaining a consistent tonnage of MSW requiring disposal from FY2005 through FY2024. A 49 percent MSW disposal diversion rate would only slightly increase the current annual in-state disposal capacity shortfall and would be 471,000 tons by FY2024.

Scenario 4. The Plan's target of a 58 percent MSW disposal diversion rate is achieved by FY2024 and the projected in-state disposal capacity shortfall is eliminated by FY2024.

Unless Connecticut can successfully divert more waste from disposal, the in-state disposal capacity shortfall for MSW will grow as depicted in ES Figure 2 which shows the projections of in-state MSW disposal capacity shortfall under the four scenarios described above.

MSW RRF Ash Residue Projection Scenarios

Based on a number of assumptions as detailed in the Plan, it is projected that in-state disposal capacity for MSW RRF ash residue will be sufficient to meet the needs of all the state's RRF ash residue generated through the end of FY2018. Projections of generation of Connecticut MSW RRF ash residue requiring disposal and in-state disposal capacity were made based on the following: no new MSW RRF capacity will be built in-state during the planning period; the amount of MSW processed at Connecticut RRFs remains constant; and the amount of RRF ash residue requiring disposal remains constant. Figure 3 shows the projections of in-state MSW RRF ash residue disposal capacity shortfall for the period FY2005 through FY2024.

C&D waste/oversized MSW Projection Scenarios

Based on the available data regarding the generation of C&D waste/oversized MSW, it is difficult to set a specific goal for reducing the amount of this type of waste requiring disposal. Nonetheless, an effort will be made to maximize the diversion of this waste from disposal. The projections for the amount of C&D waste generated was based on reported data and assumed a 1.6 percent annual increase in the amount of such waste generated. Listed below are three scenarios.

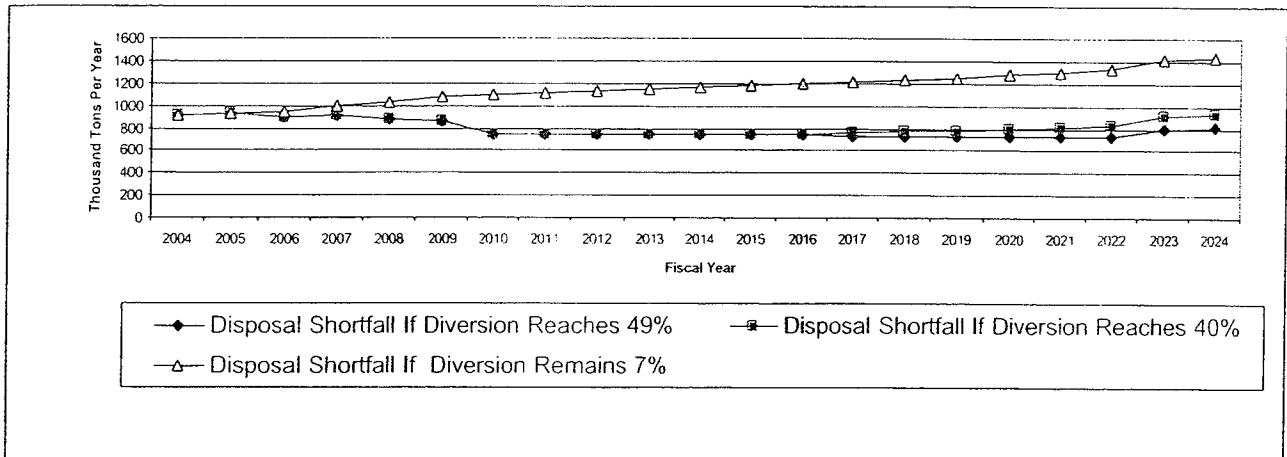
Scenario 1. The current diversion from disposal rate, seven percent, for C&D waste/oversized MSW remains the same through FY2024. This would result in increasing annual in-state disposal capacity shortfalls through FY2024 for C&D waste/oversized MSW and would be 1.4 million tons by FY2024.

Scenario 2. The current C&D waste/oversized MSW disposal diversion rates increases to 40 percent by FY2015 and remains at 40 percent through FY2024. A 40 percent disposal diversion rate by FY2024 is projected to slightly decrease and then increase the level of C&D waste/oversized MSW annual disposal capacity shortfall so that by FY2024 the disposal capacity shortfall would be similar to current levels.

Scenario 3. The current C&D waste/oversized MSW diversion rate increases to 48 percent by FY2024 and would result in a slight decrease in the annual in-state disposal capacity shortfall for this waste by FY2024.

Unless Connecticut can successfully divert more waste from disposal, the in-state disposal capacity shortfall for C&D waste/oversized MSW will grow as depicted in ES Figure 4 which shows the projection for in-state C&D waste/oversized MSW disposal capacity shortfall.

ES Figure 4.
Projections of In-State C&D Waste/Oversized MSW Disposal Capacity Shortfall Under Various Waste Diversion Assumptions for the Period FY2005 through FY2024.



Source Reduction, Recycling, Composting

The recommendations regarding source reduction, recycling, and composting represent the centerpiece of this Plan. After rapid growth in the early to mid 1990s, Connecticut's recycling efforts have become stagnant and are in need of reinvigoration. This Plan sets forth objectives and strategies to be implemented so as to reduce our per capita disposal rate from 0.8 tons/person/year in FY2005 to 0.6 tons/person/year in FY2024. This is to be accomplished by adopting a fifty-eight percent MSW disposal diversion rate by FY2024. This rate is consistent with the Connecticut Climate Change Action Plan 2005 recommendation that called for an increase in recycling and source reduction of municipal solid waste to achieve significant greenhouse gas reductions. While much of the burden of accomplishing this will fall on the Department, a greater amount will necessarily be borne by municipalities and businesses. Significant increases in funding will be needed to support these efforts.

The State needs to take advantage of increasing demand for recycled material, especially in overseas markets, by increasing the amount of marketable material recovered for recycling. The State must also facilitate the development of a more robust recycling business infrastructure in Connecticut for almost all materials including paper, metals, electronics, and compostable organics. In particular, significant results can be achieved through increased efforts to compost source separated commercial and institutional food wastes, as is being done in other states. In order to reduce the amount and toxicity of waste being generated, Connecticut must focus more effort on packaging. The State will continue to work with the Toxics in Packaging Clearinghouse to enforce existing laws and to encourage producers to reduce the amount and toxicity of packaging being used.

Disposal Capacity

There is not enough disposal capacity in-state to handle all the Connecticut solid waste requiring disposal. This is true for the major components of the solid waste stream: MSW and C&D waste. The adopted 1991 State Solid Waste Management Plan and the proposed 1999 Plan were based on the premise that the state should have sufficient in-state capacity for recycling, processing and disposal to manage all Connecticut MSW and ash residue generated by Connecticut resources recovery facilities. This Plan continues to recognize that self-sufficiency in managing our solid waste represents good public policy for Connecticut for many reasons, including the ability to better control costs and other risks related to solid waste disposal. This Plan emphasizes that a significant reduction in the amount of waste disposed must be achieved as the primary means of attaining self-sufficiency.

Public or Private Ownership and Control

Another key issue is whether the RRF capacity in Connecticut and the RRF ash residue landfill capacity in Connecticut will be owned and controlled by public or private entities. Bonds that financed the construction of the RRFs will be paid off

It is recognized that the Department must make enforcement of solid waste laws a high priority, and the Plan includes recommendations for accomplishing this task. In addition, recognizing that most of the potential for improvement in recycling rates exists in the municipalities, recommendations are made to increase the level of enforcement at the local level, using existing authorities. The Department will work with municipalities to identify barriers to accomplishing this and will partner with municipalities to take appropriate enforcement actions.

Funding

This Plan charts an aggressive course for meeting the challenges of managing Connecticut's solid waste over the twenty year planning period. Action is recommended through the implementation of seventy-five strategies over the next several years to deal with these difficult issues. As with many other important programs, addressing these needs will require significant support in the form of funding at the local, state, and regional level.

One of the most difficult, but clear, challenges that face decision-makers and the citizens of Connecticut is to find the resources for these programs when other critical needs are competing for the same limited public dollars. As the public, legislators, and other officials make decisions on which strategies will be implemented, appropriate sources of funding must be identified. The following are the specific potential funding sources identified in this Plan:

- capture some or all of the unclaimed bottle and can deposits (escheats);
- expand the Solid Waste Assessment to all disposed solid waste, including all MSW, C&D debris, and oversized MSW, whether disposed in-state or out-of-state;
- increase the Solid Waste Assessment beyond the present \$1.50 per ton;
- direct enforcement penalties to a special account for distribution to municipalities and regional authorities aimed at recycling; and
- bond funds for infrastructure to support demonstration projects and/or development of publicly controlled recycling facilities.

Without adequate funding, many of the critical needs identified in this Plan will not be met. It is up to all citizens of Connecticut to fully debate these issues and make the decisions necessary to properly manage the solid waste that we generate.

Statutory and Regulatory Changes Needed

Many of the changes needed to meet the goals of this Plan cannot be implemented without action by the legislature to change Connecticut's solid waste statutes, and possibly other areas of the law such as those affecting taxes and revenue. The following are some of the more significant recommendations identified in this Plan that will require statutory and/or regulatory change:

- establish a recycling program for electronics;

Department of Environmental Protection

- Serve as a model for other governmental entities, businesses, and citizens to enhance source reduction, composting, recycling, and buying environmentally preferable products.
- Maximize resources to support and maintain solid waste education, assistance, recycling, permitting, and enforcement.
- Establish a standing Solid Waste Management Advisory Committee.
- Establish permitting of beneficial activities as a high priority for the Agency.
- Continually monitor solid waste issues nationally, regionally, and locally and help guide Connecticut to manage its solid waste in response to those issues in a manner that best protects the environment and human health.

Other State Agencies

- Provide support to research, develop, and market recycling processes and products.
- Adopt purchasing practices that create less waste and buy environmentally preferable products.
- Increase source reduction and recycling efforts in agency operations.

Local Officials and Regional Waste Authorities

- Continue to play an active role in the proper and efficient management of solid waste in their communities.
- Expand recycling/source reduction programs and efforts.
- Increase enforcement of local recycling ordinances.
- Enact or amend ordinances to reflect new State programs.
- Change purchasing practices to create less waste and purchase environmentally preferable products.

Businesses

- Provide cost effective and efficient solid waste management opportunities.
- Increase efforts to recycle and source reduce the solid waste generated.
- Establish new businesses to expand recycling and composting infrastructure.
- Change purchasing practices to create less waste and buy environmentally preferable products.
- Adopt a product stewardship ethic.

Table of Recommended Strategies

**Excerpted from
STATE OF CONNECTICUT SOLID WASTE MANAGEMENT PLAN,
AMENDED DECEMBER 2006**

Table of Recommended Strategies

This Plan proposes numerous strategies for achieving the State's long-term solid waste management goals. For planning purposes, as well as the prudent use of resources, it is essential that priorities among the Plan's strategies be established. The relative importance of each strategy needs to be assessed given that resources will be insufficient to undertake all strategies simultaneously or to the fullest possible extent. In addition, strategies need to be mapped chronologically so that all parties involved have a sense of when they are to be undertaken. These priorities were established based on consideration of the following criteria:

- The importance of the strategy in bringing Connecticut closer to its solid waste vision and goals;
- The ease of implementation and institutional feasibility of the strategy;
- The costs and cost-effectiveness of the strategy relative to the resources available; and
- The extent to which other strategies are dependent upon the strategy.

Table 5-1 presents an annotated list of recommended strategies for solid waste management in Connecticut. The Table identifies for each of the seventy-five strategies, the following: the type of action needed; the assigned priority; new costs; initiation time frame; and the lead and/or key partners for implementation. Of the total number of strategies, forty-five are high priority; twenty-two are medium priority; and eight are low priority. The CT DEP will, in conjunction with the Agency Solid Waste Management Advisory Committee, be preparing an operational work plan that will target those high priority strategies and will further refine associated implementation costs. Many of the high priority strategies are focused on attaining a much higher diversion rate for MSW disposal. Diversion includes reducing MSW at the source, recycling or composting. As discussed in the Plan, the greatest opportunity for increasing diversion rates is to develop new programs for materials that have very low diversion rates at present, while enhancing, improving and maintaining existing source reduction, composting and recycling programs.

Based on available information and best professional judgment, cost estimates have been prepared for those high priority strategies found in Table 5-1. Assuming that the focus of the efforts will be directed towards:

- Enhancing and improving the existing municipal recycling programs;
- Targeting certain waste streams, such as: the recycling of electronics, mixed paper, and commercial C&D wastes; and the composting of commercial food waste.
- Promoting and developing options for Pay as you Throw (PAYT) programs or unit pricing throughout Connecticut for MSW;
- Enhancing and improving the state's solid waste management database system;
- Conducting a waste characterization study; and

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

**Table 5-1
Annotated List of Recommended Strategies for Solid Waste Management in Connecticut**

| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
|--------------------|---|-----------------------------|----------|--------------------------------|--------------------------|---------------------------------------|
| Objective 1 | Source Reduction | | | | | |
| 1-1 | Continue to implement the CT DEP's Pollution Prevention Plan that establishes goals and identifies strategies to reduce the quantity and toxicity of wastes discharged to the land, air, and waters of the state. | Administrative | Medium | Staff = \$ | Existing | DEP |
| 1-2 | Educate consumers and businesses about the effects of their purchasing choices and behaviors on waste generation, and provide education and incentives to help change purchasing and behavioral practices to reduce the amount and toxicity of waste produced. | Administrative | High | Staff = \$\$ Other = \$\$ | Short term | DEP |
| 1-3 | Continue to support regional and national efforts to change manufacturer practices to produce products that generate less waste and less toxic waste. | Administrative | Medium | Staff = \$ | Existing | DEP |
| 1-4 | Continue to promote environmentally preferable purchasing ("EPP") standards in state and local government; encourage state agencies and municipalities to become members of EPA's WasteWise Program; and support green design standards and encourage their adoption by Connecticut local governments and institutions. | Administrative | High | Staff = \$ | Existing | DAS/ DEP & municipalities |
| 1-5 | Provide funding to promote reuse and publicize product reuse opportunities. | Legislative, Administrative | Medium | Other = \$ | Short term | TBD |
| 1-6 | Promote through such activities as technical assistance, start-up funding, and/or other incentives, the implementation of effective pay-as-you-throw (PAYT) pricing systems by municipalities and haulers for managing solid waste from residents and small businesses to achieve waste reduction. | Administrative | High | Staff = \$\$ Other = \$\$\$ | Mid term | TBD/ Municipalities & Regional |

(1) Costs estimates include start up & on-going implementation. \$ = - 1File or < \$100,000; \$\$ = 25 Files or \$100,000 to \$500,000; \$\$\$ = >5 files or > \$500,000; Other costs include capital costs, grants, consultancy, fees, etc.
 (2) Existing; Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010
 (3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

**Table 5-1
Annotated List of Recommended Strategies for Solid Waste Management in Connecticut**

| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
|-----------------|---|----------------------------|--------------|--------------------------------------|--------------------------|---|
| 2-5 | Increase technical assistance, education, outreach, and enforcement with regard to the business and industry sectors (especially the small businesses) and institutions to decrease their waste disposal rates by increasing recycling and source reduction. Promote EPP, including recycled content products, by Connecticut's businesses, industries, and institutions. | Administrative, Regulatory | High | Staff = \$\$ Other = \$\$ | Short term | DEP/ Municipal, regional and others TBD |
| 2-6 | Continue the CT DEP's Municipal Recycling Honor Roll Awards Program and the Green Circle Awards Program to recognize and support exemplary source reduction and recycling practices and promote technology transfer. | Administrative | Medium | Minimal | Existing | DEP |
| 2-7 | CT DEP, in collaboration with regional authorities and the hauling industry, will identify incentives for haulers to increase the amount of material recovered for recycling. | Administrative | Medium | Staff = minimal Other = \$ - \$\$ | Mid term | DEP/ Private, Regional |
| 2-8 | Develop the infrastructure necessary to increase the amount of paper that is recycled. Create incentives and funding for increased paper recycling and for source reducing the amount of waste paper generated. | Administrative | Medium | Staff = \$ Other = \$ | Mid term | TBD/ Regional, Private |
| 2-9 | Support the continued recycling of non-mandated recyclables. | Administrative | Low | Minimal | Existing | Municipal & Regional |
| 2-10 | CT DEP, the Agency's Solid Waste Management Advisory Committee and other State Agencies will work with recycling business representatives to facilitate the development, expansion, and creation of markets for recycled materials. | Administrative | Low - Medium | Staff = \$ Other = \$\$ | Mid term | DEP/ other state agencies TBD |
| 2-11 | Build local, regional, and state capacity for implementing State recycling policies, regional planning and program implementation, and recycling information sharing. | Administrative | High | Staff = \$\$\$ | Short term | TBD/ DEP, Municipal, Regional, & others |

(1) Costs estimates include start up & on-going implementation: \$ = ~ 1Fte or < \$100,000; \$\$ = 25 Ftes or \$100,000 to \$500,000; \$\$\$ = >5 ftes or > \$500,000; Other costs include capital costs, grants, consulting fees, etc

(2) Existing: Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010

(3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

Excerpted from Chapter 5

STATE OF CONNECTICUT SOLID WASTE MANAGEMENT PLAN, Amended December 2006

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

| Table 5-1 Annotated List of Recommended Strategies for Solid Waste Management in Connecticut | | | | | | |
|---|---|-----------------------------|----------|------------------------------|--------------------------|---------------------------------------|
| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
| Objective 3 | Management of Solid Waste Requiring Disposal | | | | | |
| 3-1 | Minimize the need for additional capacity for disposal of MSW, MSW RRF ash residue and C&D waste through aggressive implementation of the source reduction, recycling, composting, and other initiatives in this Plan. This Plan establishes a target of achieving a 58 percent MSW disposal diversion rate by FY2024. | All types | High | \$\$\$ | Short term | All partners |
| 3-2 | The State will monitor waste generation and capacity on a regular basis, and with input from the Agency's Solid Waste Management Advisory Committee, evaluate the need for additional MSW, MSW RRF ash residue and C&D waste disposal capacity. | Administrative | High | Staff = \$ | Mid term | DEP |
| 3-3 | The Department will seek legislative authorization to require any applicant for new RRF or landfill capacity, at the time any application is submitted to the CT DEP, to create a fund to be accessed by the host municipality to: (1) fund a local advisory committee and (2) hire appropriate expertise to assist the host municipality in reviewing the application and taking part in the application process. The local advisory committee should include elected officials and residents from both the host community and contiguous communities. | Legislative, Administrative | High | Staff = \$ Other = \$\$ | Short term | DEP/ Applicants and stakeholders |
| 3-4 | Require C&D waste to be processed to the greatest extent practicable prior to its disposal at any solid waste facility. | Legislative, Administrative | High | Staff = \$ Other = \$\$\$ | Short term | DEP/ Private sector |
| 3-5 | Research and track new solid waste management technologies that have the potential to reduce environmental impacts and maximize benefits. | Administrative | Low | Minimal | Long term | TBD |

(1) Costs estimates include start up & on-going implementation: \$ = ~ 1Fie or < \$100,000; \$\$ = 25 Fies or \$100,000 to \$500,000; \$\$\$ = >5 fies or > \$500,000; Other costs include capital costs, grants, consulting fees, etc
 (2) Existing; Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010
 (3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

| Table 5-1 Annotated List of Recommended Strategies for Solid Waste Management in Connecticut | | | | | | |
|---|--|----------------|------------|--------------------------------|--------------------------|---------------------------------------|
| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
| 4-9 | Enhance the statewide Household Hazardous Waste Program. | Administrative | Low | Staff = min. Other = \$\$\$ | Long term | DEP; municipal |
| 4-10 | CT DEP will continue to monitor and research management options for other types of special wastes that have not been adequately addressed to date, or as problems and the need arises, and as resources allow. Types of wastes that need to be addressed include: animal mortalities; road wastes; dredge material from Long Island Sound; contaminated soils; sewage sludge; water treatment residual solids; preservative treated wood; sharps and waste pharmaceuticals; disaster debris; and other materials as appropriate. | Administrative | Low - high | TBD | Short term - Long term | DEP; Others |
| Objective 5 | Education and Outreach | | | | | |
| 5-1 | Undertake education and outreach actions using minimal additional resources. Such actions could include: coordinating existing resources and sharing information; enhancing the CT DEP website; promoting awareness through recognition programs; integrating solid waste issues with other environmental issues; ongoing outreach to media; and encouraging municipalities to provide solid waste and recycling information to residents and businesses. | Administrative | High | Staff = min. Other = \$ | Short term | DEP/ Municipal and others TBD |
| 5-2 | Undertake education and outreach actions using additional resources. These actions can include: providing comprehensive assistance to regional and local outreach programs; developing partnerships; and assessing and modifying outreach programs on a two year basis. | Administrative | High | Staff = \$ Other = \$\$ | Mid term | DEP/ Municipal and others TBD |

(1) Costs estimates include start up & on-going implementation: \$ = - 1File or < \$100,000; \$\$ = 25 Files or \$100,000 to \$500,000; \$\$\$ = >5 files or > \$500,000. Other costs include capital costs, grants, consulting fees, etc.
 (2) Existing; Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010
 (3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

**Table 5-1
Annotated List of Recommended Strategies for Solid Waste Management in Connecticut**

| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
|--------------------|---|----------------|----------|------------------------------|--------------------------|---------------------------------------|
| 6-5 | Evaluate and make recommendations for changes to underlying legal authorities to improve state, regional, and local solid waste planning and coordination. Develop system performance benchmarks relevant at both the state and local levels aimed at achieving a unified solid waste management vision. Explore opportunities to fund planning activities at the state, regional, and local level and develop incentives for full participation. | Administrative | High | Staff = \$\$ Other = \$\$ | Mid term | DEP/ Stakeholders |
| 6-6 | Provide training and informational materials to municipal officials, regional and local waste management and recycling staff regarding best practices and strategies for strengthening solid waste and recycling programs. Encourage communities and regional recycling programs to share their best practices and strategies. Investigate the possibility of established a municipal solid waste/recycling mentor program. | Administrative | High | Staff = \$ Other = \$ | Short term | DEP/ Municipal |
| 6-7 | The CT DEP will conduct a solid waste characterization study. | Administrative | High | Other = \$\$ | Short term | DEP/Stakeholders |
| Objective 7 | Permitting and Enforcement | | | | | |
| 7-1 | CT DEP will make the permitting of solid waste facilities that increase waste diversion from disposal a priority. | Administrative | High | Minimal | Short term | DEP |
| 7-2 | CT DEP will designate a permitting team whose responsibility is to review all solid waste diversion applications and to make determinations in a timely manner. | Administrative | High | Minimal | Short term | DEP |
| 7-3 | CT DEP will facilitate the permitting process by developing model permits and fact sheets for applicants and interested parties, so that the process and the applicant's obligations are well defined and readily comprehensible. | Administrative | Medium | Staff = \$ - \$\$ | Mid term | DEP |
| 7-4 | CT DEP will establish target time frames for acting on solid waste diversion and beneficial use applications. | Administrative | Low | Minimal | Mid term | DEP |

(1) Costs estimates include start up & on-going implementation: \$ = 1Fle or < \$100,000; \$\$ = 25 Fles or \$100,000 to \$500,000; \$\$\$ = >5 fles or > \$500,000; Other costs include capital costs, grants, consulting fees, etc.
 (2) Existing, Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010
 (3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

**Table 5-1
Annotated List of Recommended Strategies for Solid Waste Management in Connecticut**

| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
|-----------------|---|----------------------------|----------|----------------------------|--------------------------|---------------------------------------|
| 7-11 | CT DEP will seek amendments to CGS Section 22a-208a(d) to allow municipal transfer stations to accept and do minimal separation of residentially generated construction and demolition waste without requiring full permit modifications and fees. | Legislative, Regulatory | Medium | Staff = \$ | Short term | DEP |
| 7-12 | CT DEP will establish criteria for C&D waste Volume Reduction Facilities to help ensure that more of this waste stream is diverted from disposal. | Administrative | Medium | TBD | Mid term | DEP |
| 7-13 | CT DEP will seek and encourage public input at the appropriate steps with regard to the development of General Permits for certain activities and Beneficial Use General Permits. | Other | High | Minimal | Short term | DEP |
| 7-14 | CT DEP will consider host community agreements as part of the re-writing of the solid waste regulations. Until such time regulations are adopted, host community agreements shall be encouraged on a case-by-case basis. | Administrative, Regulatory | High | Minimal | Short term | DEP |
| 7-15 | CT DEP will continue to evaluate the environmental impacts of the alternatives for solid waste disposal and will examine its authority to require an applicant for new capacity and disposal to provide detailed information on such impacts. | Administrative | High | Minimal | Short term | DEP/private sector |
| 7-16 | CT DEP will increase its compliance outreach efforts to develop a more comprehensive and mutually supportive network of communications with land use, public works, and other municipal officials who are directly involved in solid waste activities. CT DEP will take appropriate actions to ensure compliance. | Administrative | High | Staff = \$-\$\$ | Short term | DEP, Municipal and others |
| 7-17 | CT DEP will take enforcement actions against recycling law violators as necessary to ensure compliance. | Administrative | High | Staff = \$ Other = \$\$ | Existing | DEP, Municipal and others |
| 7-18 | CT DEP will evaluate incentives that would encourage municipalities to take on enforcement responsibilities they are already authorized to do. | Administrative | High | Staff = \$ | Short term | DEP, Municipal |

(1) Costs estimates include start up & on-going implementation: \$ = < \$100,000; \$\$ = 25 Fies or \$100,000 to \$500,000; \$\$\$ = >5 fies or > \$500,000. Other costs include capital costs, grants, consulting fees, etc

(2) Existing; Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010

(3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

EXCERPTED FROM IMPLEMENTATION CONSIDERATIONS

**Table 5-1
Annotated List of Recommended Strategies for Solid Waste Management in Connecticut**

| Strategy Number | Recommended Strategy | Type of Action | Priority | New Costs (1) | Initiation Time Frame(2) | Responsibility Lead/ Key Partners (3) |
|-----------------|---|----------------|----------|----------------|--------------------------|---------------------------------------|
| 8-1(4) | Increase the Solid Waste Assessment beyond the present \$1.50 per ton. | | | | | |
| 8-1(5) | Use state bond funds for needed infrastructure projects such as publicly controlled composting facilities and recycling facilities. | | | | | |
| 8-2 | CT DEP will initiate discussion with the Connecticut General Assembly regarding options for funding, including directing a significant portion of any new funds to municipal and regional programs. | Legislative | High | Other = \$\$\$ | Short term | DEP |
| 8-3 | CT DEP will work with the CT Department of Economic Development and Community Development to identify the types of economic assistance that are needed and could be provided to businesses, especially recycling, composting or other businesses that directly support the goals of the Plan. | Administrative | High | Staff = \$ | Short term | DEP, State agency |

(1) Costs estimates include start up & on-going implementation: \$ = ~ 1file or < \$100,000; \$\$ = 2-5 files or \$100,000 to \$500,000; \$\$\$ = >5 files or > \$500,000; Other costs include capital costs, grants, consulting fees, etc

(2) Existing; Short term = 2006-2008; Mid term = 2008-2010; Long term after 2010

(3) Lead will be responsible for initiating action; Key Partners may be responsible for implementation

Excerpted from Chapter 5

TAB C

RESOLUTION AUTHORIZING CONTRACT FOR ECONOMIC ADVISORY SERVICES

RESOLVED: That the President is hereby authorized to enter into contracts with the following firms for economic advisory services to assist management with work on a variety of projects including, but not limited to, financial and economic evaluation with regard to the plans of the Authority, market information on other comparable solid waste authorities and innovations within the solid waste field; financial feasibility analyses; and analysis of state and federal laws and regulations relative to solid waste management and municipal bonds.

- Environmental Capital, LLC
- Alternative Resources, Inc.
- Gershman, Brickner & Bratton, Inc. (“GBB”)
- Connecticut Economic Resources Center, Inc. (“CERC”)

RESOLUTION REGARDING CONSULTING, ENGINEERING AND LAND SURVEYING SERVICES

RESOLVED: That the President is hereby authorized to enter into contracts with the following firms and individuals for Consulting, Engineering and Land Surveying Services, substantially as discussed and presented at this meeting:

General Engineering Services

Diversified Technology Consultants
Enercon Services, Inc.
Fuss & O'Neil
HDR Engineering, Inc.
TRC Environmental Corp.
URS Corporation AES

Environmental Consulting and Engineering Services

ARCADIS, US, Inc.
Blue River Engineering LLC
Burns & MacDonnell
HRP Associates, Inc.
Kleinschmidt Associates
Leggette, Brashears & Graham, Inc.
M. I. Holzman & Associates
TRC Environmental Corporation
URS Corporation AES
Zuvic, Carr Associates, Inc.

Resource Recovery and Recycling Consulting and Engineering Services

ARCADIS, US, Inc.
CalRecovery, Inc.
Dvirka & Bartilucci Consulting Engineers
Grillo Engineering Co.
HDR Engineering, Inc.
Project Management Associates
van Zelm, Heywood & Shadford, Inc.

Landfill Consulting and Engineering Services

ARCADIS, US, Inc.
Fuss & O'Neill, Inc.
Hatch Mott MacDonald
Langan Engineering & Environmental Services
Lockwood, Kessler & Bartlett, Inc.
SCS Engineers, PC
TRC Environmental Corporation

Land Surveying Services

Design Professionals
LRC Engineering & Surveying, LLC

Solid Waste Consulting Services

Alternative Resources, Inc.
Dvirka & Bartilucci
Gershman, Brickner, & Bratton, Inc.
HDR Engineering, Inc.
Project Management Associates

Electric Marketing, Procurement and Consulting Services

Burns & McDonnell
Power Advisory LLC

TAB D

REVISIONS TO RESOLUTION REGARDING THE APPROVAL OF THE FISCAL YEAR 2014 OPERATING BUDGETS AND RESERVES

WHEREAS, The State of Connecticut (the "State") passed Section 7 of Public Act 13-285 which states that the Connecticut Resources Recovery Authority (the "Authority") shall pay the total cost of various audits, provided such payments shall not exceed \$500,000; and

WHEREAS, This Board of Directors (the "Board") adopted the Fiscal Year 2014 Budgets which did not anticipate that the State would require the Authority to pay up to \$500,000 in additional audit(s) expenses; and

WHEREAS, The Board now considers it prudent to revise the Southeast Project Operating Budget, Property Division Operating Budget, and Landfill Division Operating Budget and to revise the funds retained in the Mid-Connecticut Post-Project Closure Reserve, the Bridgeport Post-Project Reserve, and the Wallingford Project Closure Reserve to incorporate these potential audit(s) expenses; and

WHEREAS, The funding from each operating account and reserve will be based on the five year historical pro-rata average contribution to the Authority Budget for the most recent audited five year period (Fiscal Year 2008 through Fiscal Year 2012);

NOW THEREFORE, it is

RESOLVED: That the approved Fiscal Year 2014 Southeast Project, Property Division, and Landfill Division Operating budgets be revised in the form presented and discussed at this meeting; and

FURTHER RESOLVED: That the Mid-Connecticut Post-Project Closure Reserve, the Bridgeport Post-Project Reserve, the Wallingford Project Closure Reserve expenses be revised; and

FURTHER RESOLVED: That a Section 7 Reserve be established in the Property Division at the Short Term Investment Fund of the State of Connecticut and funded in the amount of \$500,000 for the purpose of paying the State mandated expenses from the following operating budgets and reserves in the respective amounts; and

| Description | Avg. 5 year % Allocation | Pro-rata Funding |
|--|-----------------------------|---------------------|
| Mid-Connecticut Post Project Closure Reserve | 81.75% | \$ 409,000 |
| Bridgeport Post Project Reserve | 7.75% | \$ 39,000 |
| Wallingford Project Closure Reserve | 7.10% | \$ 36,000 |
| Southeast Project Operating Account | 2.07% | \$ 10,000 |
| Property Division Operating Account | 0.84% | \$ 4,000 |
| Landfill Division Operating Reserves | 0.49% | \$ 2,000 |
| Total | 100.00% | \$ 500,000 |

FURTHER RESOLVED: That any unexpended funds remaining in the Section 7 Reserve at the conclusion of the audit(s) be refunded to the original accounts on a prorated basis.

TAB E

**RESOLUTION REGARDING THE PAYMENT OF UP TO
\$500,000 TO THE CONNECTICUT DEPARTMENT OF
ENERGY AND ENVIRONMENTAL PROTECTION TO
CONDUCT AN AUDIT(S) OF CRRA**

RESOLVED: That the President is hereby authorized to issue a purchase order to the Connecticut Department of Energy and Environmental Protection, for a not-to-exceed amount of \$500,000.00, to fund the cost of an audit(s) pursuant to Section 7 of Public Act No. 13-285, substantially as presented and discussed at this meeting.

Connecticut Resources Recovery Authority
Purchase Order to fund an Audit(s) of CRRA

Presented to the CRRA Board on: July 18, 2013

Vendor/Contractor(s): Connecticut Department of Energy and Environmental Protection.

Effective Date: Upon Issuance of Purchase Order

Contract Type/Subject Matter: Purchase Order Pursuant to Legislation that Requires CRRA to fund an audit(s) of CRRA [Section 7 of Public Act No. 13-285]

Term: Through October 30, 2013

Contract Dollar Value: Not to exceed \$500,000

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services: Pursuant to Section 7 of Public Act No. 213-285.

Other Pertinent Provisions: See attached sample purchase order and associated transmittal letter

Connecticut Resources Recovery Authority

Funding of an Audit(s) to be Conducted by the Connecticut Department of Energy and Environmental Protection, in Consultation with the Office of Policy Management, Pursuant to Section 7 of Public Act No. 13-285

July 18, 2013

Discussion

This is to request that the Board of Directors authorize the President to execute a purchase order to expend up to \$500,000 to fund an audit of CRRA, to be conducted by the Connecticut Department of Energy and Environmental Protection, in consultation with the Office of Policy Management, pursuant to Section 7 of Public Act No. 13-285.

A sample Purchase Order, with CRRA's standard terms, along with a transmittal letter that will accompany the purchase order, is attached.

Purchase Order Transmittal Letter

[Date]

Connecticut Department of Energy & Environmental Protection
79 Elm Street
Hartford, CT 06103

Re: Purchase Order No. _____
Audit of Connecticut Resources Recovery Authority
pursuant to Section 7 of Public Act 13-285

Dear Sir/Madam:

Please find enclosed Purchase Order No. _____ issued by the Connecticut Resources Recovery Authority (CRRA) against which the Connecticut Department of Energy and Environmental Protection (DEEP) should invoice CRRA for services associated with the audit(s) to be conducted by DEEP, in conjunction with the Office of Policy Management, on CRRA, pursuant to Section 7 of Public Act No. 13-285.

All requests for information should be made in writing.

CRRA has designated _____ to serve as a contact through which all requests for information should be made by DEEP, and who will coordinate responses. _____ may be reached at [insert email] or [insert phone number]. CRRA's information coordinator will advise DEEP within 2 business days of the timeframe within which information associated with requests will be delivered to DEEP.

Please don't hesitate to contact me at 860-757-7725 if you have any questions.

Sincerely,

Peter W. Egan
Director of Operations & Environmental Affairs

C:



CRRRA Terms of Purchase

These Terms of Purchase govern the purchase by Connecticut Resources Recovery Authority ("CRRRA") of goods and/or services, as governed by the context, from the Seller ("Seller") pursuant to this Purchase Order. These Terms of Purchase shall govern each purchase by CRRRA of goods and/or services by the Seller, until amended or superceded by CRRRA. If this Purchase Order is issued pursuant to a contract between CRRRA and Seller, in the event of any conflict between these Terms of Purchase and such contract, then the terms and conditions of such contract shall control.

1. **Acceptance.** Commencement of performance by Seller pursuant to this Purchase Order constitutes acceptance by Seller of these Terms of Purchase. If delivery dates cannot be met, Seller shall inform CRRRA in writing as soon as possible, by return mail, e-mail or facsimile (as circumstances require), of Seller's best possible alternative delivery dates for CRRRA's acceptance. Such alternative delivery dates shall not become effective until express written acceptance thereof by CRRRA.

2. **CRRRA Exemption(S) From State Taxes** CRRRA is exempt from all State of Connecticut taxes and assessments pursuant to Conn. Gen. Stat § 22a-270. Without limiting the generality of the preceding sentence, pursuant to Conn. Gen. Stat § 12-412(92), the sale and/or use of any services or tangible personal property to be incorporated into or used or otherwise consumed in the operation of any CRRRA project (whether such purchases are made directly by CRRRA or are reimbursed by CRRRA to the lessee or operator of such project), is exempt from State of Connecticut Sales and Use Taxes. Accordingly, Seller shall not charge CRRRA any State of Connecticut taxes or assessments at any time in connection with Seller's provision of goods and/or services to CRRRA, nor shall Seller include any State of Connecticut taxes or assessments in any rates, costs, prices or other charges to CRRRA. The obligations of Seller contained in the preceding sentence are absolute and shall apply notwithstanding any payment by Seller of any State of Connecticut taxes or assessments in connection with its provision of goods and/or services to CRRRA. No State of Connecticut taxes or assessments shall be included in any rates, costs, prices or other charges presented to CRRRA by Seller, in any RFQ, RFP, estimate or other submittal or proposal to CRRRA.

3. **Deliveries and Time.** CRRRA's schedules are based upon the understanding that deliveries of goods and/or services by Seller to CRRRA shall be made by any date specified on the face of this Purchase Order. Time is therefore of the essence of this Purchase Order. If deliveries are not made at the time agreed upon, CRRRA reserves the right to cancel any remaining deliveries without liability to CRRRA and to hold Seller accountable for any costs and/or losses to CRRRA arising therefrom.

4. **Prices.** Seller's price shall not be higher than last quoted or last charged to CRRRA unless otherwise agreed to in writing by CRRRA.

5. **Quantities.** Shipments must equal exact amounts ordered unless otherwise agreed to in writing by CRRRA.

6. **Invoices and Payment.** Each invoice rendered by Seller to CRRRA shall be in duplicate and shall reference the applicable Purchase Order number. CRRRA's standard payment terms of Net 30 Days after conforming delivery or completion of services (as applicable) shall apply unless other terms have been agreed to in writing by CRRRA. Statements to CRRRA must be made on a monthly basis only. Individual invoicing is not accepted.

7. **Warranties.** Seller warrants that all goods delivered to CRRRA shall be merchantable, fit for their particular purpose, and free from defect of material or workmanship, and shall conform strictly to any specifications, drawings, or sample specified or furnished. All services supplied by Seller to CRRRA shall be performed in a workmanlike manner and free from error. These warranties shall survive any inspection, delivery, acceptance, or payment by CRRRA of such goods and/or services.

8. **Inspection and Rejection.** Any final inspection shall be on CRRRA's premises or at such other locations as determined by CRRRA in its sole discretion, unless otherwise agreed to in advance in writing by CRRRA. Goods rejected by CRRRA in its sole discretion as not conforming to this Purchase Order or as otherwise defective, shall be returned to Seller at Seller's expense, including transportation and handling costs.

9. **Assignment.** Seller shall not delegate any duties, nor assign any rights or claims under this Purchase Order without prior written consent of CRRRA, and any such attempted delegation or assignment without such consent shall be void.

10. **Setoffs and Counterclaims** All claims for moneys due or to become due from CRRRA shall be subject to deduction by CRRRA for any setoff or counterclaim arising out of any CRRRA Purchase Order with Seller.

11. **Changes.** CRRRA shall have the right to make, from time to time and without notice to any sureties or assignees, changes as to packing, testing, destinations, specifications, designs, and delivery schedules (postponements only). Seller shall immediately notify CRRRA of any increases or decreases in costs caused by such changes and an equitable adjustment in prices or other terms hereof shall be agreed upon in a written amendment to this Purchase Order.

12. **Bankruptcy.** In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against Seller, the inability of Seller to meet its debts as they become due, or in the event of the appointment, with or without Seller's consent, of



an assignee for the benefit of creditors or of a receiver, then CRRA shall be entitled, at its sole option, to cancel any unfilled part of this Purchase Order without any liability whatsoever to CRRA.

13. **Intellectual Property.** Seller warrants that it has a full, unconditional, and irrevocable right and title to sell, transfer, deliver or perform the goods or services, or to practice the methods, which are the subject of this Purchase Order. To the extent that such goods, services, methods or other deliverables are or may be protected by or subject to any laws, regulations, statutes, codes, or other provisions relating to any intellectual property or related rights (including but not limited to patents, trademarks, trade dress, trade secrets, logos, brand names, copyrights and other intellectual property rights) (hereinafter the "Intellectual Property"), Seller further warrants that it is either (i) the sole and exclusive owner of and has the exclusive right to use (free and clear of any obligation to pay royalties or any similar obligation and free and clear of all mortgages, liens or other encumbrances) the Intellectual Property; or (ii) it has valid and effective licenses permitting it to make, use, sell, transfer, practice, or otherwise use, the Intellectual Property. Seller further warrants that it has the right to grant any licenses or sublicenses necessary for it or CRRA to perform under this Purchase Order and/or for CRRA to receive, purchase or use the goods, services or deliverables which are the subject of this Purchase Order. There is no claim or demand of any person or entity pertaining to, and there is no pending or threatened action, suit, proceeding or investigation relating to, or the outcome of which could affect, the rights of the Seller or CRRA with respect to the Intellectual Property. Without limiting any right of CRRA contained in Section 19 below (Indemnification by Seller), Seller shall hold harmless and indemnify CRRA (including for all attorneys fees and costs) in the event that Seller breaches any of the warranties set forth in this Section 13, or if in any other respect, any claims (including but not limited to claims for infringement) are asserted by any third-party with respect to Intellectual Property or other rights with respect to the goods, services, methods or other deliverables which are the subject of this Purchase Order.

14. **Governing Law.** This Purchase Order and the acceptance thereof shall be a contract made in the state of Connecticut and governed by the laws thereof. Seller hereby consents to the jurisdiction of the federal and state courts of Connecticut with respect to any disputes arising out of this Purchase Order.

15. **Traffic Routing.** Any losses accruing from deviation from any CRRA routing instructions will be charged to Seller's account.

16. **Proof Of Shipment.** Seller shall forward to CRRA, with the invoice, the express receipt or bill of lading, signed by the carrier, evidencing the fact that shipment has been made.

17. **Supplementary Information.** Any specifications, drawings, notes, instructions, engineering notices, or technical data referred to in this Purchase Order shall be deemed to be incorporated therein by reference as if fully set forth. In case of any discrepancies or questions, Seller shall refer to CRRA for decision or instructions or for interpretation.

18. **Compliance With Applicable Law.** Seller's supply of goods and/or services to CRRA pursuant to this Purchase Order is and shall be subject in all respects to, and in compliance with, all applicable law, including without limitation all statutes, rules, regulations, ordinances, proclamations, demands, directives, executive orders, or other requirements of any municipal, state, and federal government and all subdivisions thereof which now govern or may hereafter govern the sale or delivery, of the goods and/or services contemplated by this Purchase Order.

19. **Indemnification by Seller.** Seller will indemnify, hold harmless, and defend CRRA from all liability for claims, judgments, damages, costs, expenses (including reasonable attorneys' fees) loss or injury to persons or property in any manner arising out of or incident to Seller's performance hereunder. Seller's indemnification obligation shall survive Seller's performance hereunder.

20. **Title & Risk of Loss.** Shipments are made prepaid and allowed, and shall include all shipping charges, and any special packing or crating. Seller warrants title to all goods sold and bears the risk of loss or damages to the items purchased under this purchase order until delivery in conformity with this purchase order at the f.o.b. point specified by CRRA, and upon such conforming delivery, title shall pass. Passing of title shall not constitute acceptance of the items by CRRA.

21. **Insurance.** Seller shall carry Commercial General Liability insurance (alone or in combination with Commercial Umbrella insurance) with a limit of not less than one million (\$1,000,000.00) dollars each occurrence, covering liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insurance contract (including the tort liability of another assumed in a business contract).

Seller shall carry Workers' Compensation insurance at Connecticut statutory limits, and Employer's Liability coverage with limits of at least \$100,000/\$500,000/\$100,000.

Seller shall immediately submit to CRRA a certificate for the required insurance referenced in this Section 21, certifying that such insurance is in full force and effect and setting forth the information required below in this Section 21. Seller shall additionally furnish to CRRA within thirty (30) days before the expiration date of the coverage of the required insurance, a certificate containing the information required below, certifying that such insurance has been renewed and remains in full force and effect.



All policies for the required insurance shall: (i) name CRRA as an additional insured (this shall not apply to Workers' Compensation/Employer's Liability) (ii) include a standard severability of interest clause; (iii) provide for not less than thirty (30) days' prior written notice to CRRA by registered or certified mail of any cancellation, restrictive amendment, non-renewal or change in coverage; (iv) hold CRRA free and harmless from all subrogation rights of the insurer; and (v) provide that such required insurance hereunder is the primary insurance

22. **Conflicting Terms on Invoice.** If terms of this Purchase Order do not appear on or agree with Seller's invoice as rendered, Seller agrees that CRRA may make such changes to such invoice to conform the same to this Purchase Order and make payment accordingly.

23. **Conflicts Generally** These Terms of Purchase shall govern in the event of any conflict with any term or condition of Seller's RFQ, RFP, estimate, submittal proposal or any other documentation of Seller, and are not subject to change by reason of any written or verbal statements by Seller, or by any terms stated in any documentation of Seller, unless the same be accepted by CRRA in writing.

24. **Costs of Enforcement.** If CRRA is required to take legal action, including, but not limited to litigation, to enforce these Terms of Purchase, CRRA shall recover its reasonable attorney fees, collection fees and court costs incurred in any such action.

TAB F

REVISIONS TO RESOLUTION REGARDING THE APPROVAL OF THE FISCAL YEAR 2014 PROPERTY DIVISION OPERATING BUDGET

WHEREAS, The State of Connecticut (the "State") passed Section 9 of Public Act 13-285 which states that the Connecticut Resources Recovery Authority (the "Authority") shall develop a transition plan; and

WHEREAS, This Board of Directors (the "Board") adopted the Fiscal Year 2014 Property Division Budget on May 30, 2013, which budget anticipated that the Authority would reserve \$688,000 for solid waste future development; and

WHEREAS, The Board estimated the cost of the Authority's transition plan to be approximately \$250,000 to accomplish Section 9 and now considers it prudent to revise the Property Division Budget to incorporate this expense;

NOW THEREFORE, it is

RESOLVED: That the proposed Fiscal Year 2014 Property Division Budget be revised in the form presented and discussed at this meeting; and

FURTHER RESOLVED: That the Solid Waste Future Development Reserve contribution be reduced by \$250,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That a Section 9 Reserve be established at the Short Term Investment Fund of the State of Connecticut and funded in the amount of \$250,000 for the purpose of developing a transition plan in accordance with the State requirements.

TAB G



100 CONSTITUTION PLAZA - 6th FLOOR • HARTFORD • CONNECTICUT • 06103-1722 • TELEPHONE (860) 757-7777
FAX (860) 727-4141

June 12, 2013

RECEIVED

Thomas D. Kirk
President
email: tkirk@crra.org

VIA HAND DELIVERY

JUN 13 2013

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Commissioner Daniel C. Esty
Department of Energy and Environmental Protection
79 Elm Street
Hartford, CT 06106-5127

**Re: Public Act 13-184, An Act Concerning Expenditures and Revenue for the
Biennium Ending June 30, 2015.
H.B. No. 6706, An Act Implementing Provisions of the State Budget for the
Biennium Ending June 30, 2015 Concerning General Government**

Dear Commissioner Esty:

I am writing with regard to the referenced legislation that was passed by the General Assembly on June 5, 2013. Through these bills, the General Assembly requires the Department of Energy and Environmental Protection (the "Department") and Connecticut Resources Recovery Authority ("CRRA") to negotiate a memorandum of understanding ("MOU") by which the Department will assume all legal obligations resulting from the closure of the Ellington, Hartford, Shelton, Wallingford, and Waterbury landfills.¹ At the same time, the General Assembly is requiring CRRA to transfer up to \$35,000,000 to the General Fund.²

Until the MOU is executed, CRRA will continue to take all reasonable and appropriate steps necessary to continue to monitor and maintain the five designated landfills in accordance with governing law. CRRA anticipates that the transfer of funds from CRRA to the state's general fund in accordance with Section 99 of Public Act 13-184 will occur following execution of the MOU, transfer of all appropriate permits to the State of CT, conveyance of all the property owned by CRRA which is associated with such landfills to the State of CT, and the transfer of all liability and obligations resulting from the closure of the landfills to the State of CT.

CRRA is prepared to commence the process of negotiating the MOU with the Department and would like to meet as soon as the Department is available. CRRA has designated Peter W. Egan to represent CRRA during the process of developing and implementing the MOU. Mr. Egan

¹ Section 236 of H.B. No. 6706 states that, effective upon passage: "The Department of Energy and Environmental Protection and the Connecticut Resources Recovery Authority shall enter into a memorandum of understanding requiring the department to assume all legally required obligations resulting from the closure of the landfills located in Hartford, Ellington, Waterbury, Wallingford and Shelton."

² Section 99 of Public Act 13-184 states that, effective July 1, 2013: "Notwithstanding any provision of the general statutes, the sum of up to \$35,000,000 shall be transferred from the resources of the Connecticut Resource Recovery Authority (CRRA) and credited to the resources of the General Fund for the fiscal year ending June 30, 2014."

Commssioner Esty
June 12, 2013
Page 2

can be contacted at (860) 757-7725. Please advise CRRA as to which individual will be the primary point of contact for the Department for negotiating the MOU.

As part of this process, CRRA is willing and able to assist the Department with the maintenance and operation of the landfills to facilitate the orderly transfer of obligations to the Department. CRRA looks forward to working with you and the Department to implement the General Assembly's directives contained in the legislation.

Very truly yours,

Connecticut Resources Recovery Authority



Thomas D. Kirk
President

cc: CRRA Board of Directors
Peter Egan
Laurie Hunt



100 CONSTITUTION PLAZA • 6th FLOOR • HARTFORD • CONNECTICUT • 06103-1722 • TELEPHONE (860) 757-7700
FAX (860) 727-4141

April 18, 2013

Dean Applefield, Esq.
Connecticut Department of Energy and Environmental Protection
Office of Legal Counsel
79 Elm Street
Hartford, CT 06106

Dear Dean,

As you know, CRRA is reviewing its files in connection with the proposed transfer of its landfills and related properties and obligations to DEEP. Our review is ongoing, but we wanted to draw DEEP's attention in a timely manner to a few matters of potential concern or complication identified to date:

Re: Wallingford Landfill --

1. The Amended and Restated Municipal Solid Waste Delivery and Disposal Contracts (MSAs) between CRRA and the municipalities of Wallingford, Cheshire, Hamden, Meriden, and North Haven expired in 2010, but certain provisions survive. Specifically, Section 5.12 addresses the rights and obligations of the Wallingford Policy Board and the five municipalities related to (among other things) the post-closure costs of the Residue Disposal Site; Section 9.07 addresses non-assignability of any interests under the MSAs. (The referenced sections of the Wallingford MSA are attached for reference.)
2. CRRA's lease of the Wallingford landfill has expired, but again, certain provisions survive. CRRA provides all post-closure maintenance and monitoring (Section 6.12), and CRRA continues to indemnify the town of Wallingford, including indemnity for environmental damages (Sections 1102, 1103, and 1106). All obligations are binding upon successors and permitted assigns (Article XXVIII).

Re: Hartford Landfill --

1. The February 2007 Agreement between CRRA and the City of Hartford contemplates the execution by the parties of a Mutual Release and Indemnification Agreement, pursuant to which CRRA would indemnify the City for all CRRA Obligations (as defined in the Easement Agreement also contemplated by the Agreement to be executed by the parties).
2. As you know, CRRA is preparing to close the final section of the Hartford Landfill. The RFP for closure was issued on March 18; submittals are due on April 23, and CRRA anticipates executing a contract with the selected proposer on or about June 15. The closure project is expected to begin this summer, and to be completed by the end of calendar year 2013, with DEEP certification of closure being issued sometime in CY2014. CRRA plans to complete the closure project pursuant to, and with the authority of its DEEP solid waste permit, and understands that the permit will remain with CRRA until closure is certified. If DEEP contemplates otherwise, please let us know immediately.

Re: Ellington Landfill --

1. As I believe Peter Egan discussed at our first meeting, although CRRA has purchased four properties adjacent to or in proximity to the Ellington landfill in order to control the leachate plume, there remain two properties that CRRA has not been able to purchase: a two acre parcel owned by James Latulippe and Cheryl Kolisinski, and a 43 acre parcel formerly owned by Walter Kolisinski, and now, we believe, owned by Cheryl Kolisinski (his niece). Consequently, CRRA does not have control of the entire leachate plume associated with the Ellington landfill.

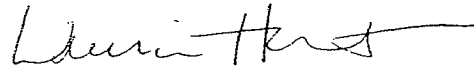
Re: Shelton Landfill --

1. Pursuant to a 1994 lease and operating agreement, CRRA retained Resource Technology Corporation (RTC) to perform certain services in connection with the landfill gas collection system at the Shelton Landfill. After a methane migration from the landfill in 1999, CRRA terminated the lease and agreement. Following RTC's bankruptcy and several years of litigation, the RTC property remaining at the landfill was sold to certain RTC affiliates pursuant to a court-approved order. Some of the property was removed in 2006-2007; some of it remains on site. RTC and its affiliates had previously claimed that RTC also owns certain components of the gas collection system; no action to enforce that claim has been taken by any party.

In addition to the foregoing specific items, note generally that many CRRA agreements, including all Municipal Services Agreements and the Wallingford Landfill Lease, include the State pledge set forth in Connecticut General Statutes Section 22a-274.

If you would like to discuss any of these matters further, or to see additional documentation, please call me at (860) 757-7749. As we continue our review and analysis, we will promptly advise DEEP regarding further potential issues that may be identified.

Very truly yours,



Laurie Hunt
Director of Legal Services
Connecticut Resources Recovery Authority
Phone: 860-757-7749
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Email: lhunt@crra.org
Web: <http://www.crra.org>

cc:

and, except as otherwise provided below, will not promulgate any Residue Disposal Site Operating Plan until and unless such plan has been approved by the Policy Board. In the event that within thirty (30) days of the first day of any Contract Year the Policy Board and the Authority shall have been unable to develop a new plan satisfactory to them, the Residue Disposal Site Operating Plan for the then current Contract Year shall remain in effect until such time as agreement is reached, and if there is no existing plan, the Authority shall have the right to establish a plan until such time as agreement between the Authority and the Policy Board is reached, provided, however, that in either case, in the event that an agreement cannot be reached within six (6) months, the dispute shall be subject to the dispute resolution procedures described in Subsection 9.01(a) hereof.

SECTION 5.12 Facility, Site and Residue Disposal Site Future Responsibilities. The Authority, with the approval of the Policy Board, shall establish a fund intended to meet any and all costs and expenses related to the Facility, the Site and/or the Residue Disposal Site(s), including but not limited to environmental clean-up costs and post-closure monitoring costs, which may result from the use of the Facility, the Site and/or the Residue Disposal Site(s) pursuant to this Agreement but which are not quantified or do not arise until after this Agreement otherwise ends. The manner of funding shall be agreed upon by the Authority and the Policy Board, and may include one or more annual contributions to be treated as a System Cost. All such costs and expenses shall be

met first from this fund, but, in the event that the fund is insufficient to pay any such costs or expenses, each Participating Municipality shall pay a proportionate share thereof based on its total usage of the System over the entire period that the System was in use. After the termination of this Agreement, the fund shall continue until the Policy Board determines that it is no longer appropriate for it to continue, provided that the fund shall not be discontinued so long as there may be any legal requirement that the fund be continued. If there are monies remaining in the fund at the time it is discontinued, the Authority shall disburse the fund to the Participating Municipalities in proportion to their use of the System over the entire time that the System was in use. If any additional costs arise after the fund has been disbursed, each Participating Municipality shall pay a proportionate share based on its total usage of the System over the entire period that the System was in use. This provision shall survive the termination of the remainder of the Agreement, it being the agreement of the parties that this provision on future liability shall last indefinitely.

SECTION 5.13 Noise Levels. The Authority shall expeditiously use all reasonable efforts to cause the Company to reduce noise levels from the operation of the Facility between 9:00 p.m. and 7:00 a.m. to levels below the levels achieved during other hours, provided such efforts are reasonably and economically feasible.

SECTION 9.07 Nonassignability. Except as specifically set forth herein, no party to this Agreement may assign any interest herein to any person without the consent of the other party hereto, and the terms of this Agreement shall inure to the benefit of and be binding upon the respective successors of each party hereto. Nothing herein contained, however, shall be construed (i) as preventing the reorganization of any party hereto nor as preventing any other body corporate and politic succeeding to the rights, privileges, powers, immunities, liabilities, disabilities, functions and duties of a party hereto, as may be authorized by law, in the absence of any prejudicial impairment of any obligation of contract hereby imposed or (ii) as precluding the assignment by the Authority, for the benefit of the holders of the Bonds, and for the benefit of the Credit Institution (as defined in the Bond Resolution) of its rights and obligations hereunder, of any or all of the monies to be received hereunder or of the proceeds of the Bonds. The Municipality hereby specifically agrees to such an assignment by the Authority to the Bond Trustee under the Bond Resolution and to the Credit Institution. Notwithstanding the first sentence of this Section 9.07, the Municipality further acknowledges that the Company may enforce this Agreement against the Municipality in the Authority's name on the terms and conditions set forth in Subsection 10.01(b) of the Service Contract and consents to such enforcement by the Company.

This Agreement shall remain binding on the Municipality in the event that the ownership of the Facility changes, provided that the new owner continues to perform in accordance with the Service Contract.

SECTION 9.08 Amendments. Subject to and in accordance with the Bond Resolution, and the specific provisions hereof permitting amendment, this Agreement may be amended from time to time by written agreement, duly authorized and executed by the parties hereto.

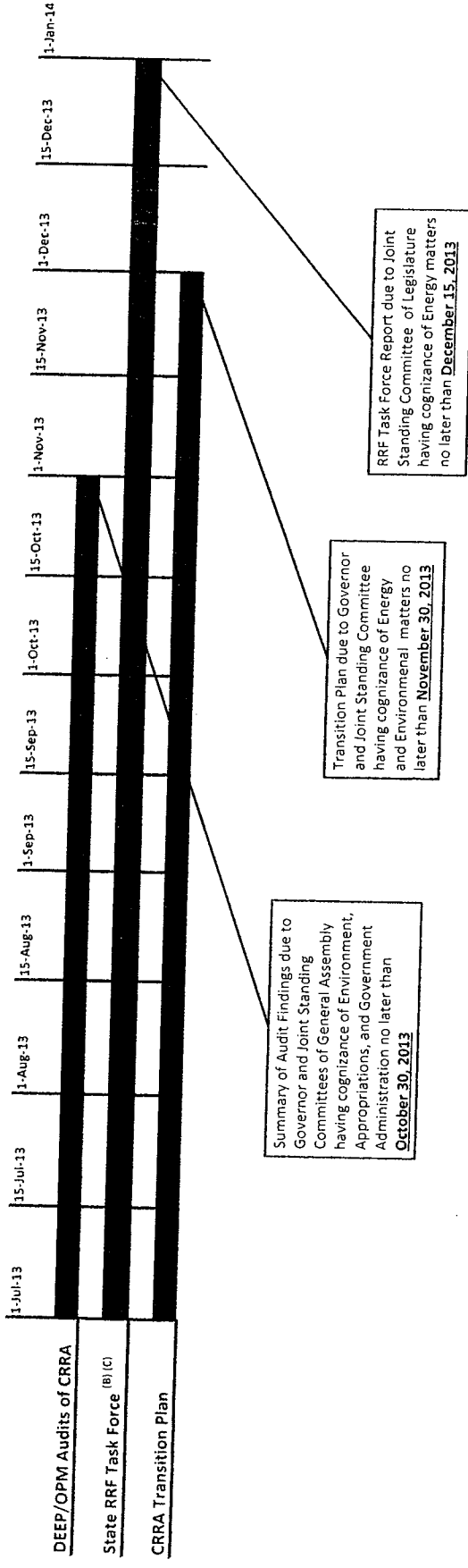
SECTION 9.09 No Vested Rights. The Municipality shall not acquire any vested or ownership rights in the System by reason of this Agreement; provided, however, that in the event of a disposition or liquidation of the System, as provided by law for the disposition of property, the Municipality shall receive a payment or payments as determined by the Authority consistent with the Municipality's interest therein, if any.

SECTION 9.10 Execution of Documents. This Agreement shall be executed in two (2) or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all deeds, documents or other instruments, and take such other action as is necessary to give effect to the terms of this Agreement.

SECTION 9.11 Waiver. No waiver by either party of any term or condition of this Agreement shall be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any

TAB H

Timeline
Legislative Initiatives Related to CRRR - CY2013
Public Act No. 13-285 (A)



- Notes:
- (A) Timeline Assumes Passage 6/30/13
 - (B) DEEP to Chair the Task Force
 - (C) First Meeting to occur no later than 60 days from bill passage